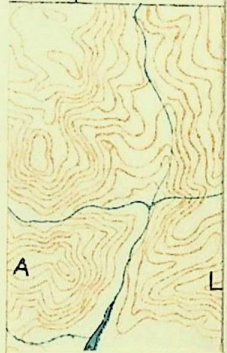
INDIA
IN
1933-34

THE BIHAR EARTHQUAKE

OF THE 15TH JANUARY 1934

ISOSEISMAL MAP

INDIA

IN

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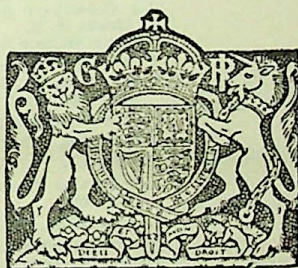
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PREFATORY NOTE.

This report, which has been prepared for presentation to Parliament, is issued by the Bureau of Public Information, Government of India, under the authority and with the general approval of the Secretary of State for India; but it must not be understood that the approval either of the Secretary of State or of the Government of India extends to every particular expression of opinion.

The report has been written in the abbreviated form adopted for the 1932-33 report with the addition of a short Chapter on the Bihar Earthquake. The descriptive and explanatory passages which served to introduce the subject matter of previous reports, and largely accounted for their bulk, have been curtailed or omitted. The Chapter on the Provinces has also again been omitted, in order to keep down the size of the report; full information is available in the provincial Administration and Departmental reports.

It should be explained that the Chapter on Politics and Administration covers the calendar year 1934; and the other Chapters the financial year 1933-34.

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CHAPTER I.

Politics and Administration.

Introductory. Scope of Chapter.

The intention of this Chapter is to survey the principal political and administrative events of the year 1934, and there is no lack of interest or material in this crowded period. If only because of the Bihar earthquake,—one of the biggest seismic disturbances of historic times,—1934 will be prominently marked on the calendar of world history. The Joint Parliamentary Committee's report on the scheme for Indian constitutional reforms, which was published towards the close of the year, has a significance extending far beyond the boundaries of India; while the withdrawal by Congress of the sterile policy of civil disobedience was an occurrence of vital interest in Indian political history. During 1934 there is a definite working out of important processes which had been active in previous years shaping the course of events, and although in history as in nature, there is seldom any final conclusion, it is possible to discern in the past year the end of more than one important phase. The Parliamentary Committee's report represents a definite stage in the steady efforts made over a period of seven years to evolve a scheme of constitutional reform for India. The withdrawal of civil disobedience in April, and the growth of a spirit of cooperation, evidenced in the activities of the Legislatures throughout the year, provide a complete vindication of Government's policy of resolute action for the maintenance of public tranquillity, and perseverance in the work of constitutional reform. For the Congress April may be of epoch-making importance, if realisation of the futility of civil resistance to ordered government leads to its final rejection. Relieved of preoccupation with a civil disobedience campaign administrative energy was free to return to constructive effort, and the year is noteworthy for the co-ordinated attack which was made on the many economic problems facing India.

Arrangement of Chapter. Six Sections.

Political interest in 1934 centres once more largely in the Congress; and certain stages in the party's activities conveniently subdivide into sections the period covered by this Chapter.

By the beginning of April an influential and ever growing body of Congressmen had resolved that the party's future, if not its very existence, depended on the discontinuance of civil resistance and a

return to the Legislatures. On the 7th April Mr. Gandhi issued his statement suspending civil disobedience which the Congress had renewed early in 1932, after his return from the second Round Table Conference. The first section therefore stops at this date. The earthquake also falls within this period, but only a few of its repurcussions in the political sphere will be considered in the present Chapter, a more detailed description being given elsewhere. The next period is a short one, and carries the record of events approximately to the first week of June. During this time the Congress executive met at Patna and ratified both Mr. Gandhi's statement and the resolve that Congress should re-engage in parliamentary activity. On the 6th June Government, satisfied that civil disobedience had been effectually suspended, withdrew the ban on Congress organizations; the date may be said to mark the return of Congress to constitutionalism after 4½ years of disastrous experimenting in illegal activities. Politics in the third period, which takes us approximately to the last week in October, were in a confused state. With the revival of Congress participation in ordinary political affairs, the communal issue was again forced to the front. and dissensions over the party's attitude towards the Communal Decision of 1932 became acute. The growing importance of the Socialist groups in the party and their increasing opposition, was another source of anxiety to the Congress leaders. During this period preparations were in progress for the Legislative Assembly elections. Muslim affairs by contrast, presented a fair measure of unity and stability. In the last period of the year,—a very important one,—the outstanding events were the Bombay session of the Congress followed by Mr. Gandhi's retirement from political activity, the Assembly elections and the publication of the Joint Parliamentary Committee's report on the reforms. The situation with regard to terrorism in 1934 is briefly described in the fifth section, and the last section deals with certain events of interest in the field of external politics.

FIRST SECTION. (January—April).

Position of Congress at the end of 1933.

When 1934 opened, Congress was still in the hypnotic trance in which Mr. Gandhi had placed it at Poona in July of the previous year. There were signs, however, of the coming awakening and with the return of consciousness, the sleeper was beginning to stir and cast about uneasily. It will be well to pick up the threads of Congress politics since Mr. Gandhi severed the main strand of mass

resistance, and set his followers off, some in the course of "individual" civil disobedience and others in anti-touchability activities, each according to the dictates of his conscience. Dissensions and murmuring were present in the Congress ranks already before Poona, in fact the conference had been called to reconcile the one and still the other. That it did neither was largely due to Mr. Gandhi's subsequent actions. His suspension of Congress organizations called down the criticism alike of Congressmen and Moderates, the doctrine of individual civil disobedience launched in spite of its rejection by the Poona Conference was merely bewildering, while the injunction to engage in the removal of untouchability was regarded as a side-tracking of legitimate political energy. Then came Mr. Gandhi's temporary withdrawal from politics following on his imprisonment, fast and resultant release from jail. For a while expectations turned to Pandit Jawahar Lal Nehru; the section favouring the withdrawal of civil disobedience hoped he would concentrate on the organization of a constitutional party, the extreme section trusted there would be a revival of direct action on a mass scale. Pandit Nehru disappointed both sections by concentrating on the enunciation of unfamiliar economic and social doctrines of Communist tendencies. By the end of the year the revolt against the Gandhi-Nehru domination had crystallized into the tentative formation of new parties within the Congress. On the right were the Democratic Swaraj Party of Bombay and the Swarajya Party of Madras with programmes based on a return to constitutional methods for gaining the Congress goal. On the left was coming into existence the Congress Socialist Group of Bombay, the logical outcome of Pandit Nehru's activities. The birth of this group in October 1933 was welcomed by a section of the nationalist press as offering a practical alternative to the futile policy of civil disobedience. Its object was to try to convert the Congress to the socialist programme, and it was followed by the formation of similar groups in other Provinces. On the surface Congress still presented a fair measure of unity but underneath the tide of revolt was rising. Informal meetings of Congressmen were held during December at Jubbulpore and Delhi, where the question of revising the policy of Congress was discussed. No final conclusions were reached, but of some significance in view of later developments was a remark made by Mr. Gandhi during the Delhi meetings that "if

Internal dissensions.

they thought council-entry would benefit the country they should enter rather than stay idle."

The Harijan tour.

It was at this stage that Mr. Gandhi undertook a tour intended to further the interests of the Depressed Classes. This he had set himself to achieve by appealing to Hindus to modify certain social practices, throw open temples to untouchables and contribute to a fund for the furtherance of his programme. His intention was to visit all parts of India and by the end of the year he had been to the Central Provinces, Delhi and parts of the Madras Presidency. As the tour progressed public interest in it, which at the outset had been considerable, appeared to wane; crowds still assembled at the places he visited, but they assembled to see rather than to hear, and desire to subscribe to the fund was lacking. The growing opposition of the Sanatanists, and more ironically, of certain Depressed Class leaders themselves, such as Dr. Ambedkar and Mr. Srinivasan, together with resentment over the constant calls for cash and misgivings as to the manner of its expenditure, did not seem likely to operate to the real advantage of the "Harijans" but rather to pave the way for reaction. Mr. Srinivasan, the veteran Depressed Class leader, took exception to the use of the very term "Harijan" which Mr. Gandhi had coined for the community, declaring: "the Depressed Class community was not consulted when you chose to call them Harijans. Large sections of the people resent the name". As a crusade for the removal of disabilities attaching to the Depressed Classes, it cannot be said that any very practical results were achieved from the tour, and it was noteworthy that during Mr. Gandhi's visit to orthodox strongholds, such as Madura, he avoided reference to the subject of temple-entry, which had been understood to form the main plank of his campaign. In the circumstances it is natural that certain observers saw in the Harijan campaign motives other than a purely altruistic desire to remove social disabilities.

The Bihar earthquake.

At this stage we must turn aside from discussion of Congress affairs, to describe briefly the outstanding event of the first quarter of 1934 and its political reactions. On the 15th January occurred the disastrous Bihar earthquake, which interrupted for a time the normal course of daily life. In Bihar itself the disaster was sufficient to submerge political differences, and local Congressmen generally cooperated with Government throughout the first

stages of providing immediate relief. Even so there were criticisms that Government proposals, particularly with regard to financial assistance, were callous; outside Bihar sections of the pro-Congress press and nationalist politicians, who soon began to arrive in the earthquake area, endeavoured to exploit the effects of the earthquake for political ends. Considered in retrospect, it is legitimate to say that Congress as a whole appreciated the opportunity provided by distress over so large an area to rehabilitate their prestige, not only by a vigorous show of interest locally in Bihar, but also by publishing reports tending to minimise the activities of Government and to exaggerate the activities of Congress. Of the two principal figures in the Congress world, Pandit Jawahar Lal Nehru visited Bihar on the 21st of January and again in the first week of February. He started by indicating that it was a time to forget differences and work together, but followed this up by a characteristic attack on the local Government and its officers, an attack which was repudiated by the public of Bihar and not supported even by the local Congress leader Babu Rajendra Prasad. Pandit Nehru, however, was soon afterwards arrested for previous activities in Bengal. On the 16th February he was sentenced at Calcutta to two years imprisonment for seditious speeches. As regards Mr. Gandhi, on tour in the south of India, his tardiness in taking part in earthquake relief evoked criticism in the nationalist press, nor did his constant reminders that the earthquake was a visitation from above for the sin of untouchability find much favour. Mr. Gandhi first directed the male members of his *Ashram* in Sabarmati to abandon individual civil disobedience and proceed to the earthquake area. He decided to suspend his Harijan tour for a while and devote himself to relief work in Bihar, and with this intention he came to Patna on the 11th March. The Congress relief fund started by Babu Rajendra Prasad, had by this time grown into a considerable sum and its expenditure was causing embarrassment. Soon after Mr. Gandhi reached Patna an All-India Board was created to deal with the distribution of the fund, and after passing a resolution with the assistance of Pandit Madan Mohan Malaviya of " respectful cooperation " with Government in the teeth of considerable Congress opposition, Mr. Gandhi formulated nine principles of relief work, and the Managing Committee after further discussion, drew up a programme of the work to be done. But of the desire for effective cooperation with the local Government

Pandit Jawahar Lal Nehru's visit and arrest.

Mr. Gandhi and the earthquake.

in its task of organizing relief measures there were few signs and information as to the disbursement of the Congress relief fund of Rs. 24 lakhs was difficult to obtain. By the end of March interest in earthquake stricken Bihar was beginning to decline, while events were moving in the political field towards an important crisis in Congress history.

Decision to revive the Swaraj Party.

In the south of India, the Madras and Bombay parties, and notably Mr. Satyamurti of Madras, were pushing " council-entry " to the fore and with increasing vigour now that the possibility of general elections to the Legislative Assembly in the autumn was being considered. The nationalist press continued to lament the virtual extinction of Congress through sheer inanition, and did its best by precept and reproach to stir the leaders from their lethargy. March witnessed a marshalling of Congress opinions. Dr. Ansari and Mr. B. C. Roy, who had been engaged in eliciting views from provincial leaders on the withdrawal of civil disobedience and adoption of a constructive programme asked for a meeting in Delhi to consider the results of their referendum, and in this they had considerable, though qualified support. Mr. Nariman, whose first venture in open revolt had failed, though inclining more and more to the Madras and Bombay parties' programme, was hesitating not so much on the principle of " council-entry " as on the method which should be adopted to make that principle an integral part of Congress policy. Unless the official body of Congress were to give its formal sanction Mr. Nariman and others with him, felt that any decision on their part involving a radical change of Congress policy would be of little use. Though withdrawal of civil disobedience was probably the common desire of all who favoured the Delhi meeting, this is not to say that all were prepared to run the risk of the meeting giving sanction to the " council-entry " proposal. Others had not forgotten that Mr. Gandhi was opposed to any such conference of Congressmen at all until his year of self-imposed restraint from politics expired about the 4th of August, when he would himself declare the future policy of Congress. Finally, there was the left wing section. The United Provinces and Bihar Congressmen, as followers of Pandit Nehru, were not likely to countenance either withdrawal of civil disobedience or " council-entry "; moreover the Bihar leaders were still too much preoccupied with the earthquake to spare time for meetings which so many

feared would merely prove abortive. Opinion grew so insistent, however, that Dr. Ansari and Mr. Roy, the original sponsors of the meeting, decided to hold it on the 30th of March. The meeting was duly held in Delhi and on the 1st of April passed some important and independent-spirited resolutions to the effect that the All-India Swaraj Party should be revived, and that the elections should be contested in order " to get all repressive laws repealed " and " to reject the proposals contained in the White Paper ".

The Delhi meeting.

To secure Mr. Gandhi's approval and lay the conclusions of the conference before him " for consideration and advice "—the resolution, be it noted, had already been published—the chief conveners of the conference and Mr. Bhulabhai Desai proceeded to Patna. Mr. Gandhi gave his blessing but with sufficient caution to preserve a state of uneasiness in the minds of the reformers. While he said he had no hesitation in welcoming the decision made at the informal meeting of some Congressmen to revive the Swaraj Party and to take part in the forthcoming Assembly elections, his own views on the utility of the Legislatures remained the same. At Poona in July 1933 he had expressed his views on this question as follows: " My head reels at the very thought of entering councils for the sake of wanting independence. They may give some relief in specific cases, but that is the miasma to keep the nation from its goal ". Mr. Gandhi appreciating the feeling to which the Delhi decisions had given clear expression, doubtless felt, that as a nationalist paper put it, rather than allowing so much energy and ability to run waste, it was preferable to harness Congressmen to some work which, although it might not from his point of view turn out to be positively helpful, could not at any rate do much harm.

Mr. Gandhi and the Delhi resolutions.

His next move came with dramatic suddenness. On the 7th April he released for publication a statement suspending " civil disobedience for Swaraj, as distinguished from specific grievances ". The decision, he said, had come to him before the Delhi Conference after intense introspection, searching of heart and waiting upon God, and owned its inspiration to " revealing information about a valued companion who had been reluctant to perform the full prison task ". This, he declared, was undoubtedly contrary to the rules of *satyagraha*, and brought home to him his own imperfections. Blindness in a leader was unpardonable. He saw at once that he himself for the time being remained the sole representative of civil resistance

Mr. Gandhi's statement suspending civil disobedience.

in action; only one man, and that himself, should bear the responsibility. The masses, he felt, had not received the full message of *satyagraha*, owing to its adulteration in the process of transmission. In future, Mr. Gandhi alone would offer civil disobedience and none in his lifetime should do so without his consent.

Reactions to Mr. Gandhi's statement.

The revival of the Swaraj Party and the withdrawal of civil disobedience were generally hailed with relief by the majority of Congress leaders and the nationalist press, though influential opponents to the change within the Congress ranks were not wanting. The apostles of direct action, Pandit Jawahar Lal Nehru's followers in the United Provinces and the Bombay Congress Socialists, remained vehement in their opposition to the council-entry programme. Many Congressmen, moreover, resented Mr. Gandhi's somewhat disparaging references to the shortcomings of the warriors in the civil disobedience battle. Muslim opinion also put on record a sense of the injury suffered, a Lahore paper remarking that "while the author of the civil disobedience movement is free as the air, the 'Frontier Gandhi',* one of his principal dupes, is still in durance vile; such is the fidelity which Mr. Gandhi has shown to his Muslim followers!" There was resentment also in certain quarters at the dictatorial tone of Mr. Gandhi's statement, and it was generally felt that the ultimate decision regarding the use of civil disobedience and the formation of the new party must rest with Congress, not with any individual, even the Mahatma.

Revival of Communist agitation.

While Congress during the past months was manœuvring itself back to the constitutional field, there were signs of the reappearance in India of the Communist menace. In order to trace the revival of Communist activities it is necessary briefly to review past history. The Meerut Conspiracy Trial, which began in 1929 and ended with the appellate judgment of the Allahabad High Court on 3rd August 1933, put a temporary stop to Communist agitation in India, which had resulted in the grave industrial disturbances of 1928. The most important result of the original judgment in the case lay in the definite identification of the part played by the Communist International in Russia in fomenting, with money, men and propaganda, Communist agitation in India. It must next be recalled that whereas the trying judge convicted 27 out of the 30 accused, in appeal the High Court gave the benefit of the doubt to 9 of the accused and

*A reference to Khan Abdul Ghaffar Khan.

acquitted them, namely two who, though admittedly Communists by conviction, did not become members of the Communist Party of India and 7 others who denied belonging to any communist organization or joining in any conspiracy, and much reduced the sentences of the remainder. Broadly speaking, therefore, all those whose convictions were upheld were self-confessed followers of the revolutionary programme of the Communist International, whose immediate aim, where India is concerned, was the promotion of any and every movement calculated to produce a situation favourable to an armed insurrection. Most of the sentences had expired before the end of 1933. As later events proved in connection with the so-called general strike in the textile industry, some at least of the released prisoners lost no time in resuming revolutionary agitation. The probability that Russian interest in Indian Communism had not waned was prominently brought before the public in more ways than one, amongst them being a message from the Riga correspondent of the "Times" regarding the new plans for disseminating Communism in India adopted by the Russian "Comintern". This message which was published in London on November 9th, 1933 was widely reproduced and commented on in this country. The left-wing section of the Congress made no secret of its extreme tendencies, if a statement by its leader Pandit Nehru may be taken as expressing its views. On the 17th December Pandit Nehru declared: "The choice before the world today lies between Communism and Fascism, and I am all for the former; the basic ideology of Communism and its scientific interpretation of history are sound". Pandit Nehru neglected no opportunities to disseminate his views through the columns of the nationalist press. Two other definite manifestations of Communist activities in the field of propaganda appeared in December 1933 and early in 1934. In December "Red" leaflets issued by the Hindustan Socialist Republican Association, in language bearing unmistakeable evidence of Communist sources, were posted up in Delhi. In February a lengthy treatise embracing all aspects of revolutionary activity, and containing advice for the future plan of campaign in India appeared in important industrial centres such as Bombay, Lahore, Calcutta and Ahmedabad. The illegal publication in which this treatise appeared styled itself "The Communist. The organ of the Provisional Central Committee of the Communist Party of India. Section of the Communist International".

Communist influence on Trades Unions.

It is necessary now to trace the recent growth of Communist influence in the Trades Unions and the development of the strike programme. In 1929 the All-India Trades Union Congress split over the question of adopting Communism as its creed; the right wing formed a separate union now known as the National Trades Union Federation, while the extreme section retained the original title. The former proved the more representative of genuine labour interests. In 1931, a further split occurred in the extremist organization resulting in the emergence of a group, also calling itself the All-India Trades Union Congress, led by M. N. Roy's partisans.

The Cawnpore session of the All-India Trades Union Congress.

The Roy party held their annual conference during the last week of 1933 at Cawnpore, and in the course of a stormy session during which Pandit Jawahar Lal Nehru delivered a didactic semi-Communist address, passed two important resolutions. The first, after expressions of sympathy with workers in general and more particularly with Indian textile workers, had for its object the organization of a general strike of textile workers throughout India. The other resolution proposed to establish an All-India Political Party.

The Strike programme.

The strike programme, which events clearly showed aimed at promoting a number of individual strikes and then transforming them into a general political strike, was further elaborated at a conference at Bombay on 26th to 28th January, and a Committee of Action was appointed to organize a country-wide general strike of all textile workers within the next three months. This Committee consisted not only of members of the All-India Trades Union Congress (of Roy's persuasion), but also, in pursuance of the policy of the "united front", of members of the Communist Party of India whose allegiance lies in Moscow. A general strike, however, formed only one part of the Communist programme. A necessary corollary to ensure its success was the organization of the unemployed in sympathy, to prevent them from stepping into the place of the strikers. To this end "Unemployed Workers' Day", though unimportant from the point of view of practical results, clearly showed through its organization, the community of interest between Mr. Roy's adherents, the orthodox Communists as represented by the majority of the Meerut trial conspirators, and even the newly formed Congress Socialist Group which actively supported it.

Early in April the Committee of Action met at Ahmedabad. One of the recently released Meerut convicts was present and took a

prominent part in the deliberations, which resulted in a decision to start the general strike in the textile industry in Bombay on 23rd April. Reference to the actual course of this strike must be made at a later stage. In the meantime, efforts to keep going a strike at Sholapur which had been in progress for some time, were to be made.

The All-India Socialist Party.

As stated above it had been decided at the Cawnpore session of the Trades Union Congress to start a Political Party, which was to be known as the All-India Working Class Party. During Easter a number of meetings were held at Jubbulpore in the Central Provinces at which Communist doctrines were again much in evidence, and the chief practical result was the formation of the new party. Its object was declared to be the destruction of capitalists, landlords and Indian princes, the three alleged mainstays of British Imperialism, and this was to be achieved by the general strike and not by civil disobedience. Much stress was laid on the need for organizing the peasants. The new party showed itself anxious to cooperate with the Congress Socialist Group, and to this may doubtless be attributed the change of name from the All-India Working Class Party as originally proposed to that of the All-India Socialist Party.

The winter session of the Legislative Assembly 1934.

One of the features of the latter part of 1933 to which attention was directed in the report for that year was the growth of a more constructive or cooperative political spirit throughout the country, as a development parallel to the decline of civil disobedience. A review of the winter session of the Central Legislatures bears out this impression, and respite from the agitations of previous years enabled legislators to give their attention to the many pressing economic problems of the day.

Japanese Trade Agreement.

Perhaps the most important events of this period were the conclusion of the commercial negotiations with Japan and the final passing of the Reserve Bank Bill by the Council of State. The main work on both these measures had already been done in the previous year and it only remains to note their completion in the early part of 1934. Reference to them will be found also in later Chapters. The Japanese trade agreement, and with it the agreement arrived at as the result of unofficial discussions with representatives of Lancashire cotton interests, found effect in the Indian Tariff (Textile Protection) Amendment Act, 1934, passed by the Legislative Assembly on the 26th April 1934, and together they mark a

further stage in the trend of economic intercourse from competition to arrangement.

Reserve Bank Bill.

The political significance of the Reserve Bank Bill lies in the declaration of the White Paper, reiterated in the Joint Parliamentary Committee's report, "that a Reserve Bank on a sure foundation and free from political influence, should already have been established and in successful operation before the constitutional changes at the Centre take place". The passage of this Bill may, therefore, be said to mark an epoch in India's progress to autonomy.

Other economic legislation.

The Tariff Amendment Bill, a measure intended to safeguard various indigenous industries, with reference to the price level of 1930-31, had a less contested passage, though one of the contentions raised by the opposition was that the Bill discriminated in favour of British goods and was thus an attempt at introducing Imperial Preference by the back door. In reply the Commerce Member compared the duties proposed for non-British goods with British goods and showed the allegation to be unfounded.

Indian States Protection Bill.

Another important measure which was passed during the winter session of the Legislative Assembly was the Indian States Protection Bill, designed to prevent unreasonable attacks on the administration of Indian States in the newspapers of British India, and to provide the authorities in British India with adequate powers to deal with bands of demonstrators organized on semi-military lines, for the purpose of entering and spreading disaffection in Indian States territory. The Home Member speaking in support of the Bill, pointed out that in view of the forthcoming constitutional changes, it was necessary to ensure that the federating units should be secured against agitation from outside their borders.

The Budget.

The general and railway budgets are dealt with in the Chapter on Finance; the debates on the general budget furnished as usual an irresistible opportunity for discussing all manner of subjects of general public interest, and such extraneous topics as a demand for the creation of a separate Muslim Province of Baluchistan and allegations regarding the behaviour of troops in the Midnapore district of Bengal were discussed. The Centre Party initiated a debate on the necessity of expediting the reforms, which a representative of the Hindu Mahasabha opposed on the ground that the White Paper scheme was unacceptable so long as the Communal Decision held the field, while the Liberal view as expressed by Sir Cowasji Jehangir

was that if the new constitution were based on the White Paper, Indians would use the new councils mainly with the object of obtaining a further instalment of reforms. Economic questions again came to the fore in a debate raised by the European Group on the need of economic planning under Government direction. Arising directly out of the budget proposals providing for the imposition of new excise duties were the Sugar and Match Excise Duty Bills, not without significance on the political development of the country, since a change in the fiscal breeze must affect the course of the ship. A drastic policy of protection carries with it for India a fall in one of the chief heads of revenue: Customs. Excise may form a counterbalance, but the question suggests itself, will the reformed Legislative Assembly continue the policy of self-taxation necessary to furnish the expenditure for protection of infant industries ?

Indian Capitation Tribunal report.

The subject of defence policy did not fail to make its appearance during the session. An adjournment motion to the effect that the financial adjustments between Britain and India in respect of the Army, proposed in the Indian Capitation Tribunal report were insufficiently generous to India, was talked out. The subject recurred again in the course of debates on the Budget but received most attention in the Council of State. As the whole matter is of first rate importance and the facts are frequently inaccurately stated, and the policy of Government misinterpreted, a brief notice of the discussion in the Council of State will not be out of place. As a result of the Capitation tribunal's award, India receives about Rs. 2 crores a year from Great Britain towards the cost of defence. The general burthen of the criticisms in the nationalist press and in both Houses of the Central Legislature, was that the Army in India is maintained chiefly for Imperial purposes. The contribution of Great Britain is described as " paltry ", and demands are constantly made for a reduction of the cost of military expenditure from the 36.3 per cent of the total revenues, which it is at present, to 20 per cent as in other Dominions. The Commander-in-Chief effectively pointed out that, taking the combined defence expenditure of the Empire, England's expenditure was 11 annas in the rupee, while that of India was only 3 annas, 75 per cent of which was spent in India, and was, therefore, in a sense productive. As for the argument that the Army in India was used chiefly for Imperial purposes, he stated that the strength and standard of efficiency of the Army in

India were conditioned solely by the requirements of the defence of the Indian frontiers and the maintenance of internal security. Further, he explained that expeditionary forces had been sent out of the country seven times in the last fifty years, and that, except in the Great War, the total force sent on any one occasion had never been so large that its cost was equivalent to the amount of the present contribution. He also reminded the House of the many occasions in the last three years in connection with the Red Shirt movement, the Mohmand affair, the Cawnpore riots, and the Burma rebellion when the Army had been called upon to assist the civil power.

SECOND SECTION. (April—June). Congress Politics.

The period from the first week of April to the beginning of June was one of adjustments to the new conditions occasioned by the Delhi decisions and Mr. Gandhi's statement about civil disobedience. Although the proposal to revive the Swaraj Party, and the suspension of civil disobedience by Mr. Gandhi, gave clear expression to the desire which had been growing in the minds of many Congressmen, neither Government nor the country in general accepted this position as final. The next move was felt to lie with Congress. Government made their attitude plain in a statement in the Assembly on April 16th, in which they said they proposed to raise no obstacle to a meeting of the Congress " for the purpose of ratifying a statement of policy recently made by Mr. Gandhi calling off civil disobedience ", and further declared that they would review their policy towards the various Congress organizations if satisfied that civil disobedience had been abandoned. The official announcement on the 1st May that there would be a general election to the Legislative Assembly in the autumn served to rally the more cautious Congress opinion in favour of a return to action within the constitutional sphere. There would be little use, representatives of this school of thought had previously argued, in reviving the Swaraj Party if there was no early prospect of representation in the Legislatures. All sections of the press welcomed the Viceroy's decision to dissolve the Legislative Assembly.

Government's attitude to Mr. Gandhi's statement suspending civil disobedience.

Decision to dissolve the Legislative Assembly.

The Ranchi Conference.

In Congress circles there was much uncertainty as to what their next move should be, and uncertainty bred wide divergence of opinion. Eventually it was decided that the All-India Congress Committee should meet at Patna on the 17th and 18th May with special reference to the civil disobedience issue and the whole new policy of Congress. Before this, however, on the 2nd and 3rd May,

the chief sponsors of the new political party, as well as some others met at Ranchi. These others comprised mainly Congress Socialists, conscious of their growing strength and determined to oppose a constitutional policy. The Ranchi Conference formally constituted the revived Swaraj Party, as an autonomous body within the Congress, and adopted a resolution outlining its policy and programme. The programme included the repeal of all repressive legislation and the release of all political prisoners and detenus, including those connected with the Bengal Terrorist movement, and several sections on social and economic reform, which showed marked affinity with the Karachi resolutions of 1931, passed largely under Pandit Nehru's influence. With regard to the Communal Decision, the conference finally resolved that "consideration of the acceptance or rejection of the mode and proportion of representation as contained in the Communal Decision is premature at this stage". In this attempt at compromise the conference failed to placate Nationalist Muslims, and at the same time alienated the sympathy of Pandit Madan Mohan Malaviya and the powerful Hindu Mahasabha; it also demonstrated its inability to offer any practical solution of the country's most important political problems. The Ranchi programme was poorly received. The English-owned, the Hindu Liberal and the Muslim press commented adversely and even sections of the nationalist press were hostile. There was strenuous opposition from the Bombay Congress Socialist Group, which passed a resolution shortly after the conference to the effect that only a plenary session of the Congress was competent to rescind the resolution boycotting the Legislatures, which the Lahore Congress adopted 4½ years ago.

Criticisms of the Ranchi proceedings.

When the All-India Congress Committee met at Patna they had a difficult task to perform. They were faced with diametrically opposed opinions for which some unifying formula would have to be found if the unity of Congress was to be preserved. Between those who would enter the Legislatures and those who would boycott them; between those who wanted to abandon civil disobedience and those who would stand by it; between the supporters and the opponents of the Communal Decision, Mr. Gandhi held an admirable balance. Opinion was general that Patna was a vindication of his personal ascendancy. The ratification of his statement limiting civil disobedience to himself alone he secured as a matter of confidence.

Patna meeting of the All-India Congress Committee.

The Parliamentary Board constituted.

On the Swaraj Party question, acting on the principle that it was better to legalise the activities of the "council-entry" section than let them form their own party and go their own way independently, he secured the All-India Congress Committee's approval to set up a Parliamentary Board, which should select Congress candidates to run the elections and exercise general control over the politics of Congress representatives in the Legislatures. Dr. Ansari assisted by Pandit Malaviya, was appointed to select the personnel of the Board. Thus the danger of a parallel organization to Congress, liable to misinterpret its will was averted, and Congress as a whole received sanction to re-engage, through the Parliamentary Board, in constitutional work. Finally the Socialist element and those who still felt the pronouncements of the All-India Congress Committee lacked authority, were placated by the promise of a plenary session of the Congress at Bombay in October. On the two most important issues before the country, namely, the White Paper and the Communal Decision, the Patna resolutions maintained complete silence. The attempt both at Ranchi and Patna to shelve consideration of the Communal Decision, and thus avoid rousing the antagonism of the Nationalist Muslims, called forth strenuous criticism, especially from the Hindu Mahasabha.

Withdrawal of ban on Congress Organizations.

The Government of India took the next step and on the 6th June withdrew the ban on the Congress organizations. In doing so Government noted that in place of abandonment of civil disobedience, which alone would have been the complete justification for their action, Congress had approved only of its suspension. Congress had in fact only changed their tactics to suit exigencies. They had not abandoned the subversive policy formulated at Lahore in 1930 and Karachi in 1931, and still retained in the forefront of their programme agitation for the severance of India from the British Empire, and within their fold a "skilfully trimmed Communism". Government also drew a distinction between purely Congress organizations, and organizations which though working in more or less close association with its objects are in fact revolutionary bodies, and in particular the ban on the Red Shirt Associations in the Frontier Province was not removed.

Ban on "Red Shirt" Associations not withdrawn.

The Bombay Mill strike.

In the last section it was shown how Communist influence succeeded in permeating trades union politics, and the steps which had been taken to organize a general strike in the textile industry

were described. The strike began in Bombay on the 23rd of April as planned. The time chosen, allowing a clear week in which to whip up industrial agitation and bring about a more or less general strike throughout India by the Communist "May Day", was a further indication of the Communist direction behind these strikes. That they were mainly political in object, economic considerations being of secondary importance, soon became evident. Most indicative of this perhaps was the fact that the formulation and presentation of the workers' demands was not made to the employers until more than a fortnight after the strike had begun. On the first day only 4 Bombay mills employing about 5,000 operatives were closed, which showed that there was no general desire on the part of the workers to support the strike. Encouraged by the Bombay Government's generous policy of allowing the utmost possible freedom to labour movements, agitators embarked on a systematic campaign of open coercion and intimidation both in the mill area and around the workers' homes. Stone throwing and assaults on the police followed, and the Government of Bombay issued orders regulating the routes of processions and places of meetings. Further inflammatory speeches led to renewed acts of violence on the 27th April, when a serious riot was narrowly averted by the initiative of a few police officers. By the 29th April a dangerous situation had arisen, and agitators were also suggesting that railwaymen and tramwaymen should join in the demonstrations. The Government were forced to take action under the Bombay Special (Emergency) Powers Act, 1932. The arrest of a number of leading Communist agitators afforded some temporary relief.

Action taken by the Bombay Government.

Strikes in Delhi and Nagpur.

The intention of its organizers had been that the strike should spread to other industrial centres of India, and to a limited extent they succeeded. In Delhi, chiefly, due to the efforts of two persons prosecuted in the Meerut Conspiracy Case, a brief strike was brought about in the cotton mills in sympathy with the Sholapur and Bombay strikers. In Nagpur 5 cotton mills stopped work on the 7th May, and in both these centres as well as in Bombay riots occurred. The Bombay strike meanwhile continued an erratic course throughout May, and further serious riots occurred on the 16th and 23rd. There were several unsuccessful attempts at settlement. Negotiations between sub-Committees of the Indian Merchants Chamber and of

the Central Strike Committee of which the orthodox Communists had by now obtained control failed to achieve any result, as did a move to temper the uncompromising and irreconcilable majority of the General Strike Committee with the addition of some representation of genuine trades union interests. The damage to Bombay and to the cotton industry was summed up by the " Statesman " as follows: " Between importation facilities in the Kathiawar States and reduced output by the Bombay mills, the city, in so far as it relies on its textile industry, is threatened with disaster. This industry is now threatened with decay, to prevent which a first requisite is that legitimate labour leaders should realise that, if their movement is further exploited by political agitators, the cotton trade will be permanently lost ". The operation of the Emergency Powers Act in the removal of the principal Communist agitators, and the orders by the Commissioner of Police, Bombay, banning all processions and meetings of strikers, gradually brought about an improvement and by the third week in June the strike had practically collapsed.

Economic effect on the textile industry.

Muslim politics and the communal situation.

We have hitherto deferred consideration of Muslim politics and the communal situation because it has seemed that an important factor influencing the trend in both has been the reorientation of Hindu nationalist policy seen in the suspension of civil disobedience and the return of Congress to constitutionalism. Overtures to Muslims from the wilderness of unconstitutionalism, do not carry the same force or arouse the same interest as enunciations of policy by a political party capable of putting them into practice; and the strength of Hindu feeling about the Communal Decision could not fail to excite Muslim suspicion. While Congress boycotted the Legislatures and all pronouncements of His Majesty's Government on the subject of the reforms, other sections of the community and other parties continued to be engaged in an anxious consideration of the reforms policy as embodied in the White Paper, and in the consequent adjustment of their various programmes and policies. During this period the Communal Decision of 1932 held the field, and although Hindu opinion continued to inveigh against it, nevertheless during 1933 there had been some apparent improvement in the relations between the two major communities. This improvement, on the whole, was not maintained during 1934.

It is necessary now to trace developments in the Muslim political world. During 1933 an attempt had been made to bring about greater unity in their ranks. It will be remembered that early in that year the Muslim League had split into two rival sections, over the question of fusing the League with the other big Muslim organization—the Muslim Conference. An attempt to achieve unity was made by H. H. the Aga Khan during the first quarter of 1934. He failed in his particular object but to some extent composed differences between individual leaders of the two main organizations by a reshuffling of office-bearers. Mr. Jinnah, who had recently returned from a two years' stay in England, accepted the Presidentship of the All-India Muslim League. The appointment was of interest to Hindu Nationalists, not only on account of Mr. Jinnah's own political history but because of his recent description of the White Paper scheme as a "deception". On the 2nd April the council of the League met at Delhi, and the Muslim Nationalist section under Mr. Asaf Ali was represented for the first time for many years. Briefly the League resolved "..... to accept the Communal Decision in so far as it goes", and on that basis expressed readiness, "to cooperate with other communities to secure such a constitution for India as will be acceptable to the country", a resolution which caused much disappointment and incurred angry comment in Hindu circles and which a Congress paper declared "not only meaningless but absolutely ridiculous". Mr. Jinnah's passage of arms shortly after the meeting with Pandit Malaviya, who had publicly disclosed the unsuccessful conclusion of secret "unity" conversations between himself and Mr. Jinnah, did nothing to advance the cause of Hindu-Muslim unity.

Attempts to achieve Muslim political unity.

Efforts of H. H. the Aga Khan.

Throughout the country communal tension had been increasing and disorders which occurred not only on the occasion of such festivals as *Holi, Id* and *Muharram,* but also many resulting from ordinary incidents of everyday life indicated that there had been a deterioration in communal relations since the year began. Communal riots during *Holi* occurred at Benares and Cawnpore in the United Provinces, at Lahore in the Punjab, and at Peshawar. *Bakr-Id* was marked by serious rioting at Ajodhya in the United Provinces over cow sacrifice, also at Bhagalpore in Bihar and Orissa and Cannanore in Madras. A serious riot in the Ghazipur district of the United Provinces also resulted in several deaths.

The communal situation.

During April and May there were Hindu-Muslim riots at several places in Bihar and Orissa, in Bengal, in Sind and Delhi, some of them provoked by very trifling incidents, as for instance, the unintentional spitting by a Muslim shopkeeper of Delhi upon a Hindu passer-by. The increase in communal disputes in British India was also reflected in some of the States where similar incidents occurred.

Attempted assassination of Sir John Anderson.

It will be more convenient to treat of terrorist activities throughout the year in a separate section rather than chronicle the events as they occurred, but the dastardly attempt by terrorists on the life of Sir John Anderson, the Governor of Bengal at Lebong Race Course on the 8th May came as a decisive reply to the irresponsible attitude of Congress politicians who, at Ranchi on 3rd May had passed resolutions advocating relaxation of measures against terrorism while omitting to pass any resolution condemning it. Just after the race for the Governor's Cup, two youths approached His Excellency's box. One advancing on the right side opened fire with a revolver ; fortunately the second cartridge misfired. Meantime the assailant had been hit by shots fired by the Superintendent of Police and the Governor's personal guard, and was then quickly overpowered and disarmed. The second youth running up the steps of His Excellency's box opened fire at almost point blank range with an automatic pistol, but was promptly overpowered and disarmed after the first shot. One of the shots caused slight injury to a lady who was hit in the foot. The incident seemed at last to awaken public opinion in Bengal to the terrible menace of terrorism, and comments in the Bengal nationalist press show the growing conviction that the terrorist cult had proved disastrous to the Province politically and economically.

The Economic Provincial Conference.

Some reference has already been made to the extent to which economic questions were engaging public attention during the early part of 1934. His Excellency the Viceroy in a speech early in January declared the development of the economic future of India to be one of the chief concerns of the administration. In the first week of April representatives of the Central and of provincial Governments met at Delhi to consider the fundamental economic problems of India and the best approaches towards their solution. Some of their conclusions, which were embodied in a Finance Department resolution published on the 5th May, may briefly be summarized. The conference decided that diversity of circumstances made

legislative measures to afford relief for agricultural indebtedness, and policy with regard to the establishment of Land Mortgage Banks, primarily a concern for provincial Governments, though the Central Government would provide for regular exchange of information, and technical advice where necessary. In order to facilitate the expeditious inauguration of an Agricultural Credit Department as a department of the Reserve Bank, an officer of the Punjab was appointed to report on the most suitable form of organization for advancing credit to agriculturists and land owners with special reference to the existing provincial cooperative movement. Important decisions on the subject of marketing included the appointment by the Government of India of a Central Marketing Officer; the appointment of Provincial Marketing Officers; inauguration of provincial and marketing surveys; appointment of special Committees for staple-crops starting with oilseeds and tobacco, and work on grade standards under the direction of the Imperial Council of Agricultural Research. Provincial programmes of capital expenditure on public works were invited, and the need for a Central Bureau of Industrial Research and a Central Research Institute to deal with the problem of the Sugar Industry was recognized.

THIRD SECTION. (June—October). The communal issue.

Mr. Gandhi's manipulation of the various groups and individuals at Patna had resulted in an outward appearance at least of that show of unity, on which nationalist papers laid so much stress. The danger of disruption which many thought must be the logical outcome if the Swaraj Party were allowed to go their own way as an autonomous body within the Congress, had been averted chiefly by the creation of the Parliamentary Board, but it soon became apparent that other dangerous reefs lay ahead. After Patna the attitude of the official Congress towards the Communal Decision at once became a major problem, and the history of the next five months is largely conditioned by the acute revival of interest in the communal issue. The trial of strength between the main body of Congress and the Congress Socialist Group during this period, forms a parallel current of lesser though considerable importance.

Disputes over the Communal Decision.

The Ranchi Conference had briefly dismissed the Communal Decision with the remark that the question of its acceptance or rejection was premature at this stage and its solution might more conveniently be left to a constituent assembly, to be convened for the purpose of drawing up a constitution for the country in opposi-

tion to the White Paper. This conference, however, did not speak with the voice of Congress, and the failure to give a clear decision on what Hindus generally considered the most important aspect of the reforms scheme, might still have been repaired at Patna. When, therefore, the Patna resolutions contained no specific reference to the Communal Decision, suspicions were aroused and a flood of criticism let loose. The Mahasabha attacked the policy and tactics of Congress, and threatened to run its own candidates for the forthcoming Assembly elections. Pandit Malaviya, who it will be recalled had been appointed to select the personnel of the Parliamentary Board, proceeded to remedy the *lacuna* in the Patna resolutions and defined the attitude of the Board in this controversy by saying that " Congress would not accept—for even a short period—the Communal Decision ". This immediately produced counter-statements from the Nationalist Muslims, who averred that Pandit Malaviya himself had been a signatory to the manifesto authorising the Prime Minister to make the Decision, and declared that this was now binding on the Congress until the communities themselves were able to devise an alternative settlement.

Bombay meeting of the Congress Working Committee and Parliamentary Board.

With this difficulty to settle and with the reorganization and future policy of the Congress to decide upon, the Congress Working Committee, and conjointly with it the Parliamentary Board, met at Bombay on 15th June. The dilemma over the form which the pronouncement regarding the Communal Decision should take proved so acute and opinion so sharply divided that Pandit Malaviya and Mr. Aney resigned from the Parliamentary Board, a decision which they however agreed to reconsider pending further discussions on the subject at Benares in July. The issue before the Working Committee was plain enough. Either they must reject the Decision wholesale, thereby giving up all pretence that Congress was representative of the country as a whole, and forfeiting the support of the Nationalist Muslims; or they must accept it and incur not only the grave displeasure of a considerable body of Hindu opinion, particularly in Bengal and the Punjab, but also face a weakening in their parliamentary front at the Assembly elections through Mahasabha rival candidates pledged to denounce the Decision.

Working Committee's resolution on the Communal Decision.

The attempt at finding a solution failed. In an involved and vague resolution the Working Committee tried to appease Hindu opinion by a wordy condemnation of the Decision, and at the same time to

retain Muslim favour by at least not rejecting even if they did not accept it. "In view of the differences of opinion on the subject among the chief communities", so the resolution ran, "the Congress can neither accept nor reject the Communal Decision as long as this division of opinion lasts". The question of the representation of minorities, the resolution said, would be determined by a constituent assembly, which would also draw up an alternative scheme of constitution to that outlined in the White Paper, and with the ultimate rejection of the White Paper the Communal Decision must also lapse automatically. The result cannot have been encouraging to the Congress leaders. The great majority of nationalist papers criticised the resolution as not representing the national point of view, and it was clear there was much Hindu support for Pandit Malaviya and Mr. Aney. It was contended the right cause would have been complete denunciation of the Decision, and uncomplimentary references to the residue of Muslim backing which the Working Committee had sought to win at the expense of loyal Hinduism, were not wanting. In another direction the resolution served to harden opinion and Sir Hassan Suhrawardy and Sir Mohammad Iqbal utilized the occasion to define the Muslim attitude and exhort Muslim opinion in general, as opposed to the small nationalist or pro-Congress section, to stand boldly by the Decision.

Effect of the resolution.

The Congress Socialist Group.

While differences of opinion over the question of communal representation were agitating the Congress, difficulties with the Socialists threatened a secession scarcely less serious than that of the followers of Pandit Malaviya and Mr. Aney. Fed on Pandit Nehru's semi-Communist doctrines and fostered by persistent propaganda for a number of years, Socialism as a creed within the Congress had long been maturing. Early in 1934 it bore fruit in the Bombay Socialist Group, which was followed by the formation of similar groups in the United Provinces and elsewhere. Pandit Nehru, well aware that India as a whole was not prepared to imbibe an undiluted Socialist beverage, had been content at this stage to encourage growth within the Congress, leaving the conversion of Congress to Socialism, to occur in the fullness of time. At Ranchi the nascent Socialist Group had an opportunity of testing its strength. The socialistically minded adherents of Congress were not particularly welcome at this conference, because of their avowed hostility to council-entry, but headed by the Secretary of the Bombay Congress

Socialist Group they managed to obtain considerable support for certain socialist amendments to the Ranchi resolution. The next stage of development came at Patna, where representatives of the different provincial Socialist groups met at the same time as the All-India Congress Committee, and resolved to form an All-India Socialist Party within the Congress. Resolutions were passed recommending to the Congress to work for the creation of a Socialist State in India based on a constitution to be framed by a constituent assembly, and advocating the organization of peasants and workers for the struggle to capture power. Congress Socialists in opposition to the official body favoured the continuance of "direct action", by which they meant civil disobedience bereft of its troublesome creed of non-violence, and attacked Congress for its policy of compromise with British Imperialism. For this reason they looked with disfavour upon the constitutional activities of the Parliamentary Board. The difference between orthodox Congressmen and the Congress Socialist is however by no means clear-cut judging by the utterances of Congressmen themselves, and would appear to be one of degree rather than of kind.

Working Committee's resolution on the Socialist Group.

On the 18th June the Congress Working Committee at Bombay, having carefully considered the whole position of Socialism within the Congress, passed a resolution that while welcoming the formation of groups representing different schools of thought, they deprecated talk about confiscation of private property and the necessity of class war, which was contrary to the Congress creed of non-violence. This resolution was strongly resented by the Socialists and characterized by the Organising Secretary of their party as "shocking beyond words". Congressmen were called upon to redouble their efforts to overthrow the present reactionary leadership and ask for the adoption of their own programme at the next Congress session at Bombay.

Conclusion of the Harijan tour.

We must now leave Congress Politicians, occupied with the problem of communalism and socialism preparatory to the next meeting of the Working Committee at Benares at the end of July, and follow Mr. Gandhi through the concluding stages of his "Harijan" tour. After spending about a month in the earthquake area, Mr. Gandhi visited Assam and then returned to Bihar and Orissa and was present at Ranchi at the time when the informal Congress meetings which led to the revival of the Swaraj Party were in

progress. On several occasions in Bihar and Orissa Mr. Gandhi had met with violent opposition to his untouchability campaign and once an angry mob broke the window of his motor car, he himself being saved from injury by the police. Soon after this incident Mr. Gandhi decided that travelling in a motor did not create the right atmosphere and resolved to perform the rest of the tour on foot. Whether he felt that a walking tour to Bengal was too much of an undertaking, or whether the rumours of organized opposition which reached him from that stronghold of opinion antagonistic to the Communal Decision and the Poona Pact, acted as a deterrent, the fact remains that Bengal was almost the only Province which his programme did not cover. Mr. Gandhi was present at the Patna Congress meeting in May and also at the Working Committee meeting in Bombay in June.

Poona bomb incident.

On the 19th June he went to Poona and had to submit to a black flag demonstration by Sanatanists on the way. On the 25th June on the occasion of the presentation of an address, a bomb, generally believed to have been intended for Mr. Gandhi was thrown near the Poona City Municipal Hall. The news of this attempt on his life caused consternation and astonishment. All shades of public opinion were deeply stirred and nationalist papers, which had been wont to pass over the murder or attempted murder of Government officials, in silence or with qualified expressions of disapproval joined in an unequivocal condemnation of the cult of the bomb. Mr. Gandhi's own statement about the incident reveals a remarkable and rather unexpected attitude towards the evil of terrorism. In reply to questions put to him by a press representative he said, " I would like at this juncture to drive the truth home that if we are following violence in thought or word, it must some day or other assume a concrete form and it is not capable of being restricted to what one may call a good cause alone ". Mr. Rajagopalchari, one of Mr. Gandhi's chief lieutenants, in a statement to the press remarked, " The Poona outrage must bring wisdom to those who lightly hold the view that violence is legitimate in a good cause and may be tolerated for the achievement of rights." As to the source of this attempt it was not unnatural that the Sanatanists who had indulged in numerous incivilities at Mr. Gandhi's expense, including black flag demonstrations and attempts to impede the progress of his car, should have been suspected. Other opinion favoured the view that either

Communists or adherents of the cult of terrorist violence, both of whom regard Mr. Gandhi's policy of passive resistance as an obstacle to the attainment of their own ideals, were responsible.

During July Mr. Gandhi visited Ajmere and the Punjab. If his presence in the Punjab again demonstrated his ability to draw large crowds, whether from veneration or curiosity, it is doubtful whether the Harijan cause was much advanced, and the dissensions among the various factions in connection with local Congress elections, which it was hoped his visit would heal, were certainly not diminished. Mr. Gandhi's tour was now nearing its close; for the 29th July the President of the Harijan Sewak Sangh had organized celebrations in honour of "his superhuman efforts for the regeneration of Hinduism". On the 27th July Mr. Gandhi was in Benares and discussions of the Congress Working Committee and Parliamentary Board began.

The Benares meeting of the Congress Working Committee.

The results of the Benares meeting of the Congress Working Committee and Parliamentary Board were less conclusive than the importance of the various problems which came before it suggested would be the case. Of first rate importance, however, was the final decision of Pandit Malaviya and Mr. Aney to resign from the Parliamentary Board, and the latter as well from the Working Committee, over the communal issue. In a joint statement issued on the 4th August they explained the reasons for their resignation, emphasizing that their only difference with Congress lay in the matter of its attitude to the Decision. In order to secure a hearing for what they believed to be a correct, national and rational view of the question both in the country and in the Legislatures, they announced their intention to set up a separate Nationalist Party and contest the Assembly elections. Membership of the party was to be open to all Indians irrespective of caste or creed. As regards the Socialists, an attempt at placating them was made by announcing that the Bombay decisions referred only to individuals and not to any party or programme. For some time Mr. Gandhi's own future actions and intentions had been the subject of much interested comment, and speculation had been rife as to whether he would again court arrest when the year of self-imposed abstention from politics expired on the conclusion of the Harijan tour. Mr. Gandhi did not reveal at Benares what his future intentions were, and attempts were made during the meetings to dissuade him from court-

Resignation of Pandit Malaviya and Mr. Aney over communal issue.

Nationalist Party announced.

Mr. Gandhi's future.

ing further imprisonment at least until after the Bombay session of the Congress. Threatened with disruption by the Socialist Group, and with the secession of the Malaviya Group already a fact, Mr. Gandhi remained the only unifying influence in the Congress. Indications pointed before long to the probability that he did not wish a prison to circumscribe his future course of action. On the 7th of August he undertook a seven days' fast by way of penance for an incident which had occurred during his stay in Ajmer. A procession taken out in his honour had encountered a Sanatanist black flag procession and attacked it with sticks resulting in the injury of the Sanatanist leader. The country, accustomed by now to Mr. Gandhi's periodical fasts, showed no great interest in this episode.

Congress reorganization.

The fact of internal dissensions in connection with the Punjab elections to local Congress Committees has been mentioned above. Since the Patna decisions, or more accurately since Government removed the ban on Congress organizations early in June, the Congress had been actively engaged in the work of reconstitution. Local Committees had to be elected as a preliminary to provincial elections and organization of the machinery which was to return nationalist candidates in large numbers to the Legislative Assembly. But reconstitution after so long a period of inactivity was no easy task, and enthusiasm proved slow to awaken. The failure of the civil disobedience movement, the only tangible result of which had been increased hardship, had undoubtedly discredited Congress in the eyes of many people, and local elections all over India in July and August, awakened old personal jealousies and also reflected the growing dissension in the Congress Party between those who would see in Congress the Hindu protagonist against the Communal Decision, and those who favoured a more cautious attitude calculated to avoid rousing Muslim susceptibilities. As in the Punjab so in Calcutta Mr. Gandhi's presence failed to compose differences. Town and district elections in Allahabad had to be postponed on account of rowdyism; pandemonium marked election proceedings in Lahore and Amritsar; and an election meeting in Nagpur was broken up in disorder twice in the same day.

Preparations for Legislative Assembly elections.

As regards preparation for the Assembly elections there was some delay over the issue of an election manifesto, chiefly due to difference of opinion with the Nationalist Muslims over the question of rejection of the Communal Decision,

and final solution of this also was postponed to the Benares meeting. Meanwhile nomination of candidates was continuing in all parts and reports in the nationalist press during July were making optimistic estimates of the Congress strength in the new Assembly.

Inauguration of the Nationalist Party.

Pandit Malaviya and Mr. Aney having decided to set up their own party, proceeded to hold the inaugural meeting at Calcutta on the 18th and 19th August. The fire of the Pandit's enthusiasm, however, which was to give birth to a Nationalist Party embracing Indians of all castes and creeds, as the Hindu champion against the Communal Decision, had died down considerably in the weeks which had elapsed since the Benares meeting. When Bhai Parmanand on behalf of the Hindu Mahasabha, and the President of the National Liberal Federation arrived in Calcutta on invitation, they found that the projected all-embracing Nationalist Party had crystallized into a " Congress " Nationalist Party, with membership restricted only to good Congressmen. This naturally caused indignation among the non-Congressmen who had been invited. The Nationalist Party, a liberal paper declared, " went up like a rocket, but has come down like a stick ".

Wardha meeting of the Congress Working Committee.

Possibilities of a compromise between the Parliamentary Board and the Congress Nationalist Party were again explored at a conference which started at Wardha on 8th September; but on none of the three principal points could an agreement be reached. A suggestion that freedom to vote against the Communal Decision might be conceded to certain Congressmen on grounds of " conscience ", and a proposal to allot a fixed number of seats to the Nationalists were both rejected, and no mutual arrangement to avoid contests in the Assembly elections between rival candidates of each group, was found possible.

Congress definition of " India's Goal ".

In order to allay the " misgivings " which had arisen in the minds of some Congressmen and other people that the Congress goal of *Purna Swaraj* or complete independence was being imperceptibly watered down, the Working Committee passed at Wardha a lengthy resolution defining " India's Goal ". *Purna Swaraj,* the resolution explained, " includes unfettered national control over the army and other defence forces, external affairs, fiscal and commercial matters, and financial and economic policy ". The claim of Congress to represent the masses was again emphasized and Congressmen were

exhorted to "follow the constructive programme of the Congress with meticulous care and devotion".

Simla session of the Legislative Assembly.

In contrast to the visionary programmes of social, economic and administrative reform to which the country was being treated from the Congress and Socialist platforms, it affords some relief to turn to a consideration of practical achievement. On the 31st August ended the last session of the late Legislative Assembly after the successful conclusion of much useful legislation. In the social sphere the passing of the Indian Factories Act, providing for a 54-hour week, should go some way to ameliorate the conditions of labour and meet industrial troubles. The Indian Iron and Steel Duties Bill. which continued the protection afforded to the steel industry by the Steel Protection Act of 1927 up to 1941, was a notable measure in the economic field. On the administrative side, the Assembly passed by a substantial majority a Bill, technically known as the Bengal Criminal Law Amendment Supplementary (Extending) Bill, designed to place permanently on the Statute Book the power of transferring terrorists to detention camps outside Bengal. Early in the year the Bengal Council had made permanent the provincial legislation arming the authorities with special powers to deal with terrorism, and the object of this Central Bill was to place the central legislation on the same permanent footing. The Indian Army (Amendment) Bill, necessitated by the Indianization scheme, which proposed to place in a special category Indian officers who passed through the Military Academy at Dehra Dun, gave rise to much controversy. By gradual elimination of British and Indian officers who had passed through Sandhurst, and of officers holding the Viceroy's Commission, and substitution for these classes of the new type of Indian officer trained at Dehra Dun, and further by bringing all Indianized units under an Indian Statute instead of an Act of the British Parliament, the Bill was intended to mark a stage in the building up of the Indian National Army of the future. Opposition criticism was based mainly on the ground that the Bill did not empower Indian officers to command British troops, a distinction which it was feared would prevent Indian officers from attaining high command. The Bill passed through the Assembly by a small majority, and controversy on it was then transferred to the Council of State; before the Bill was finally passed, His Excellency the Commander-in-Chief delivered a spirited speech in reply

to a resolution regarding the abolition of Viceroy's Commissions, defending the Government's military policy in India, with particular reference to Indianization.

The session also saw the last of the Temple-Entry Disabilities Removal Bill, the controversy over the introduction of which more than a year before was described at length in last year's report. Enthusiasm for the movement initiated by Mr. Gandhi had dwindled considerably since the early days of 1933; orthodox Hindu objection to the measure was extremely strong, and the class intended to benefit by its provision expressed itself indifferent if not opposed to it. Circulation of the Bill had revealed so overwhelming a volume of opinion in the country against it that Government, in the interests of public peace, decided to oppose it. Its sponsor, Mr. Ranga Iyer, before withdrawing the Bill, delivered a vehement attack on the Congress leaders, whom he accused of having supported and subsequently abandoned the temple-entry movement for reasons of political expediency.

H. E. the Viceroy's speech.

On the 29th August, shortly before the session closed, the Viceroy in a speech to the Central Legislature gave a general survey of the work done during the past year and of the economic and political condition of the country. His Excellency dealt with foreign affairs; with India's external commercial relations; with the position of Indians overseas; and with the progress made in various important activities within the country. Further reference will be found to these subjects in other parts of this report. Discussing the agricultural situation, His Excellency referred to the Crop Planning Conference held in June, the outcome of the Provincial Economic Conference, mention of which was made in the second section of this Chapter. He announced that Government had accepted the recommendation of the conference to establish appropriate *ad hoc* Committees for the systematic study of problems relating to the cultivation of India's more important crops, such as wheat and rice, and were also undertaking market surveys for the purpose of ascertaining data on which future developments could be planned. Referring to political conditions His Excellency reviewed the collapse of the civil disobedience movement, whereby was fulfilled one of the objects of the policy he had initiated in 1932, and said he thought there was now throughout the country a general recognition of the truth that

the road to progress does not lie through coercion or mass action. With regard to terrorism, His Excellency noted that there had been some improvement during the year, although such attacks as that on Sir John Anderson, were sufficient indication that terrorism was still a dangerous force to be reckoned with. Speaking of the reforms the Viceroy said, " During my short stay at Home* I had many opportunities of meeting and having discussions with all sorts and conditions of people, with Members of both Houses of Parliament, with those interested in trade and commerce and business in India and with many others. The general impression I have brought back with me is that the feeling amongst my countrymen in England is full of goodwill and sympathy for the natural aspirations of Indians in regard to political advance..... One assurance I can confidently give you; when the new Constitution Bill is passed into law you may rely on my efforts to ensure that no time will be lost in carrying into effect as expeditiously as possible the intentions of Parliament as expressed in the Act ".

Communism.

In a previous section an account was given of the recrudescence of Communist agitation in India after a period of comparative calm which followed the institution of the Meerut Conspiracy Case. The course of Communist influence on the Trades Union movement, which brought about the so-called general strike in the textile industry in Bombay and other centres during April and May, was also discussed. In view of these persistent and dangerous activities, against which warnings had also appeared in the press, little surprise was occasioned by the Government of India's notification of the 23rd July declaring the Communist Party of India, with its Committees, sub-Committees and branches, an unlawful association, on the ground that the party had as its object interference with the maintenance of law and order, and that it constituted a danger to public peace. Certain Congress newspapers denounced the action as unnecessary and affected to see in it a sinister intention to entangle the newly organized Socialist Party and even the Congress. On the 14th August, in reply to questions in the Assembly the new Home Member, made a detailed statement explaining the reasons which had led Government to proscribe the Communist Party. He explained that the results of the Meerut Conspiracy Trial had clearly established

Government notification proscribing the Communist Party.

Home Member's statement in the Legislative Assembly.

* Lord Willingdon was on leave in England from 16th May to 16th August 1934. During his absence Sir George Stanley was Viceroy.

the relation between the Communist Party of India and the Communist International, and that the immediate object of the Indian Communist Party was the violent overthrow of the present order of society and attainment of independence for India by means of an armed revolution. Following on the action of the Government of India, the provincial Governments of the Punjab, Bombay and Madras took action against a number of Communist organizations. During the remainder of the year there were few open manifestations of Communist activities, though a strike of dock workers occurred in Calcutta in November-December 1934. The manner in which it was conducted and the fact that it collapsed as soon as legitimate Trade-unionist leaders took control of it, eloquently bespeak its Communist inspiration. Sections of the vernacular press continued at intervals throughout the rest of the year to publish eulogies of Communist theories. On the other hand, there appeared to be a growing realization of the realities of the Communist menace, and in the English-owned and Muslim press there appeared a number of effective and apparently well-informed anti-Communist articles.

Mr. Gandhi's proposed retirement from the Congress.

It has already been mentioned that public opinion was evincing considerable interest about Mr. Gandhi's probable future activities. Shortly after the Wardha meeting, he at last publicly disclosed what these might be. In a statement published on the 17th September he unmistakably indicated his intention to retire from the Congress after the plenary session at Bombay in October. This did not actually come to the public as a great surprise. Even before the Wardha meeting rumour had been abroad that Mr. Gandhi contemplated severing his connection with the Congress, and the question was said to have been urgently considered in the course of the meeting. Viewed in retrospect, in the light of subsequent events, it is not difficult to appreciate the reasons which led Mr. Gandhi to propose this step. Under his tutelage, the Congress had been nurtured on civil disobedience. Civil disobedience as a mass movement had failed. Whether the failure was attributable to the inability of his disciples to appreciate the true principles of *satyagraha,* or whether to the fact that Government confiscated property to the discouragement of Congressmen, was at least debatable. Much less open to doubt was the fact that the rural masses had not been solidly behind the last civil disobedience campaign and lacked organization. Reorganization now became his chief object, first of the Congress, " on purer

lines ", and next of the village population; imprisonment at this stage was not calculated to further such plans. Civil disobedience he never abandoned, but as a wise leader he appreciated that the Congress needed a rest and an opportunity to recoup its strength. Nor was there lack of astuteness in the method of reconstruction he had adopted. As there are many members of a body like the Congress, and all cannot fulfil the same function, so functions suitable to each should be provided, and from this reasoning doubtless arose the idea of semi-autonomous bodies within the Congress covering a range of activities into one or other of which most Congressmen might be expected to fit. The Congress Party in the Assembly would be just one of such "semi-autonomous" bodies, the All-India Spinners Association another. We may see here the germ of his Village Industries movement, the programme of which was to be announced at the Bombay session in October.

His statement of the 17th September.

These doubtless were among the considerations which led Mr. Gandhi to issue his statement of the 17th September. In the course of it he pointed out the difference between him and other Congressmen in outlook. Spinning and *khadi* were not regarded by all as an integral part of the Congress programme; with many, non-violence was only a matter of policy, with him it was a fundamental creed. Again there was the difference of opinion with the Socialists and with those who opposed the formation of the Parliamentary Board. Congressmen, Mr. Gandhi said, though they differed from him followed him blindly and felt a sense of oppression; it was bad for the organization to be dominated by one personality. Finally, Mr. Gandhi referred to the growing corruption in Congress ranks, and said that he proposed to move two amendments to the Congress constitution at the Bombay session. In effect the statement presented Congressmen with an ultimatum that unless they accepted certain proposals which he would put forward at the Bombay session they would forfeit his leadership. The chief of these proposals was to base the Congress franchise not upon payment of four annas but upon the monthly production by every member of so much hand spun yarn. Mr. Gandhi had made up his mind that his temporary withdrawal from the Congress—though not necessarily from politics—would redound both to his advantage and to that of Congress, and it speaks more for his ability than for that of his followers, that

the onus for his resignation was diverted to them. The pro-Congress press found the ultimatum gravely embarrassing.

Muslim politics.

In contrast to the chaotic state of the Congress with its quarrelling factions, and quibbling resolutions, Muslim politics during the period covered by this section present a measure of consistency and singleness of purpose. The previous section dealt with the unsuccessful attempt made early in the year by H. H. the Aga Khan, to bring about the fusion of the All-India Muslim Conference and the All-India Muslim League. With the approach of the Assembly elections the desirability of effecting some sort of combination for electioneering purposes resulted in a joint session in Simla of the executives of the two organizations. The meeting passed a number of joint resolutions on 13th August, followed by a joint election manifesto which made it clear how signally Congress had failed to appeal to Muslim opinion. The Muslim community was exhorted to present a united front to opponents of the Communal Decision and the principle of separate electorates; to vote only for such candidates as subscribed to the principles and policy of the All-India Muslim Conference or the All-India Muslim League, particularly with regard to the Communal Decision and separate electorates, the safeguards demanded by Muslims in the constitution, and adequate representation by special reservation for Muslims in all Services. Further the manifesto also emphasized the ultimate identity of interest between the Hindu Mahasabha who openly condemned the Decision, and the Congress who were out to procure its lapse by the total rejection of the White Paper. Among special demands set forth in the resolutions was that Sind should immediately be constituted a separate Province, and reforms granted in Baluchistan; that the Muslim proportion in the Central Services should be 33 per cent instead of 25 per cent as proposed in the recent Government of India resolution; and that the leader of the "Red Shirt" movement in the Frontier Province should be set at liberty.

The Simla joint resolutions.

Government of India resolution regarding representation in the Public Services.

The reference to the proportion of Muslims in the Central Services relates to an important Government of India resolution issued on the 4th July regulating the representation in the public Services of Muslims and other minorities. Since 1925 the policy followed in recruitment to the Central Services was based on the reservation of one-third of all vacancies to be filled by direct recruitment of Indians for the redress of communal inequalities. This

policy, however, had not operated equitably particularly with regard to the large Muslim minority, which it placed on the same status as the smaller minorities. The new resolution which laid down a fixed proportion for the recruitment of Muslims to the Indian Civil Service and the Central Services generally and for recruitment of Anglo-Indians and Domiciled-Europeans to certain subordinate Services, was at once violently attacked by Hindu opinion. The President of the Hindu Mahasabha saw in this apportionment of a definite share of appointments to Muslims and Anglo-Indians, part of a nefarious policy " designed to make communalism so deep-rooted in India that it would become impossible for any human agency to eradicate it ". Muslim opinion at the time, and the Anglo-Indian community, through Sir Henry Gidney, expressed satisfaction: though Muslims as indicated in the preceding paragraph were not slow to demand more.

Communal situation.

The position with regard to communal unrest during the months from June to October is indicative of little else than the normal deep-seated antagonism which has long existed between the two major communities. June and July, months in which no Hindu or Muhammadan festival of importance took place, were comparatively free from riots, though the situation in certain areas of Bihar necessitated the quartering of additional police, and a long drawn out dispute started in Agra. Muslims of this city objected to the noise of religious ceremonies in certain Hindu private houses, which they said disturbed worshippers at prayers in a neighbouring mosque. Before the dispute was settled riots occurred on 20th July, and again on 2nd September, in the course of which 4 persons were killed and over 80 injured. In Madras a riot on the 3rd September resulting in one death and injuries to 13 persons, was occasioned by a book published by Hindus containing alleged reflections on the Prophet; during the same month minor riots occurred in several places in the Punjab and the United Provinces.

FOURTH SECTION (October-December).

The Bombay session of the Congress.

The last period in the political history of the year has been dated from the Bombay session of the Congress which started from 21st October. This was the first session of the Congress since that which occurred in Karachi in 1931, shortly after the conclusion of the Delhi Pact. By its endorsement of the Working Committee's decisions on various occasions since May, the session marks the logical conclusion of the period inaugurated by the Patna meetings,

and a new era is ushered in with the retirement of Mr. Gandhi from activity in the Congress, the inauguration of the Village Industries Association and the change in the Congress constitution. From the welter of comments and criticisms which the decisions of the session aroused throughout the country at the time, one clear fact emerges. The session constituted a personal triumph for Mr. Gandhi. On the eve of the Bombay Conference, the Congress Executive were faced with serious opposition on several fronts. In the first place, a substantial group, apart from the Socialists, were opposed to the council-entry programme and the Parliamentary Board which had been brought into existence by the resolutions of the All-India Congress Committee at Patna. Secondly, Pandit Malaviya and the Congress Nationalist Party were as determined as ever to maintain their hostility to the Communal Decision, and to press the Congress leaders to abandon the attitude of nominal neutrality on this question which they had adopted at Bombay in June. Thirdly, the Congress Socialist Party, fresh from a meeting at Benares on 1st October, went to Bombay strongly opposed to the " drift towards sterile constitutionalism ", implicit in the new Congress programme and determined to substitute for what they termed the " milk and water " declaration of " India's Goal " evolved at Wardha, something more far reaching and socialistic. Lastly Mr. Gandhi's own embarrassing ultimatum of 18th September, meant either the passage of his unpopular amendments to the Congress constitution, or the loss of his leadership; the latter indeed seemed likely to occur in any event. Ably supported by Babu Rajendra Prasad, now the President of the Congress and one of his devoted personal followers, Mr. Gandhi managed to inflict decisive defeats on both Nationalists and Socialists, but without driving either from the Congress fold. On many issues respect for his wishes rather than practical considerations governed the decisions, in fact a newspaper referring to Pandit Malaviya's defeat wrote, " the measure of his opponents' triumph was a greater tribute to their party loyalty than to their commonsense ". It would be a mistake to estimate the real strength of both these sections merely by the voting which was overwhelmingly against them.

The Pandit's backing in the country particularly Bengal and the Punjab was considerable, and there were signs that the Socialist creed had begun to appeal far more to the younger generation than

Mr. Gandhi's well-known " Simple-life " practices; but the Socialists, at Bombay, lacked their leader, Pandit Jawahar Lal Nehru. As to the amendments to the Congress constitution, after some modification of Mr. Gandhi's original proposals, it was resolved to restrict the number of Congress delegates to 2,000 (in 1920 a reduction had been made from 14,000 to 6,000), and the total membership of the All-India Congress Committee to 166, about half the previous number. Of the 2,000 Congress delegates nearly 75 per cent were to be from rural areas, in sharp contrast to the previous arrangement, whereby recruitment was exclusively from the towns. For the proposed spinning franchise was substituted a labour franchise applicable only to aspirants to executive office. Finally, a lengthy resolution set up the All-India Village Industries Association. Thus at Bombay Mr. Gandhi once more asserted his personal supremacy and succeeded in keeping the divergent elements under one leadership, his own.

Modifications in the Congress constitution.

All-India Village Industries Association formulated.

Hindu Nationalist opinion as expressed in a Lahore nationalist paper, saw in the Bombay session a complete break in Congress traditions. From a mass movement pledged to non-cooperation, civil disobedience, *khaddar* and anti-untouchability, the Congress had become a predominatingly political organization with parliamentary activity substituted for non-cooperation, and civil disobedience, *khaddar* and " Harijan " work relegated to semi-independent bodies. But despite this new conception of Congress, as an organization working largely through detached semi-autonomous bodies, subsequent events and statements by Congressmen themselves showed that the changes meant no more than that Congress was revising its methods, not its aims and ideals.

A Nationalist's estimation of the session.

The Bombay session over,—and some delegates regarded it as a serious interruption in the Legislative Assembly election campaign,—Congress leaders hurried back to their Provinces to push on with the council-entry programme. The eve of the polls found Congress the best organized, indeed with the exception of the Madras Justice Party, the only political party with any organization worth the name It is true internal rifts and dissensions threatened to reduce the party's prospects of securing a substantial representation in the Assembly, and this danger was to some extent reflected in the defeatist tone of certain sections of the nationalist press during October. As the date for the elections approached the controversy with the Nationalist Party had gathered in force and acrimony.

The Legislative Assembly elections.

Congress prospects.

Sentiments expressed by a pro-Congress Delhi paper, which described the Nationalists as "a hybrid collection of shirkers, seceders and opportunists" were not calculated to ease the situation; and Pandit Malaviya's electioneering tour in the Punjab and Bihar served mainly to create confusion in the minds of Congress supporters, while in some places in the Punjab there were sharp disputes over the selection of candidates for the general constituencies. The Nationalist Party was not without its own peculiar difficulties, arising chiefly from public uncertainty regarding the party's relations with the Hindu Mahasabha, and doubt as to whether the party would on principle oppose legislative interference with religious practices, an issue to which Mr. Gandhi's anti-untouchability campaign had given an acute significance. The opposition of the Congress Socialists to council-entry was well known; the United Provinces provincial Congress elections had gone overwhelmingly in their favour and support for the orthodox Congress programme from that quarter was therefore doubtful. The Madras Justice Party, having announced its policy to stand by the White Paper as modified by the memorandum of the British India delegates, and having ridiculed the Congress proposals for a constituent assembly and rejection of the Communal Decision, waited on events, with the result that they were roundly defeated, even Sir Shanmukham Chetty, President of the late Assembly, and Diwan Bahadur Ramaswami Mudaliar, losing their seats. The Hindu-Liberal Group owing to lack of effective organization made little effort to oppose their rivals, while the Muslim-League Conference Parliamentary Majlis already referred to, pursued a course unmarked by any particular activity.

The Congress Socialists.

The Justice Party of Madras.

Other Groups.

Results of the polling.

Polling started early in November with a landslide in Madras in favour of the Congress, which doubtless influenced voting in other parts of the country. The final results gave the Congress 44 seats, Pandit Malaviya's Nationalist Party 11 seats, Independents 22 and European Group 11. The Nationalist press claimed the results as a "sweeping Congress victory". It would, however, be more accurate to say that they regained approximately the position they occupied before boycotting the Councils in 1930, when the party's strength in the Assembly was 38, not including a body of 18 Nationalists under Pandit Malaviya. In 1926 the Swarajist Party had held 50 seats. That they did manage to regain their former position in spite of the acute dissensions in their ranks during the

months preceding the election, was in itself no mean achievement and is a sufficient testimony to the superiority of their organization over that of other parties. On the other hand, important factors were in their favour. The civil disobedience campaign served to keep Congress constantly before the eyes of the electors, while sitting members were losing touch with their vast constituencies owing to the prolonged absences which attendance in the Assembly entailed. Public opinion might be opposed to civil disobedience because of its discomforts, but it would have no objection, if sufficiently influenced, to vote for the election of a Congressman to an institution lying outside the range of its experience. Then again many of the successful Hindu candidates at the last election obtained their seats without a contest owing to the boycott policy of Congress. Of no particular local influence, unskilled in electioneering and representing no political party, such men were no match for their Congress rivals, backed by an extensive organization. The absence of any real interest in the elections in the constituencies, partly due to the deficiencies of the existing political system, also operated to help Congress, where appeal to nationalist sentiment was naturally attractive.

The rout of the Justice Party was explained by its own journal, not altogether adequately, as due to treachery within the party and to the campaign of misrepresentation carried on by the Congress.

The Joint Parliamentary Committee's report.

The publication of the Joint Parliamentary Committee's report on Indian Constitutional Reform on the 23rd November was an event of historic interest and importance for India no less than for the Empire. It was more than 18 months since the White Paper, containing the proposals of His Majesty's Government on Indian Constitutional Reforms, had been received and since then there had been important developments. Civil disobedience had been abandoned and Congress were back in the Central Legislature as the largest individual political party. In England the period had been marked with a determined hostility to the extent and nature of many of the reforms proposals from a section of the Conservative Party in the House of Commons, backed by a growing body of British public opinion. There was further a general realization among leaders of political thought in India, that the Joint Parliamentary Committee's report was a document of great practical importance, for the reason that the Bill to be enacted by the present Parliament

would be likely to differ little in fundamental issues from the Committee's recommendations. The report received very wide publicity, and comments, criticisms, resolutions and statements continued unabated into the New Year.

Congress opinion.

First appreciations in the press were distinctly hostile, and the report was denounced by almost all sections of Indian opinion. But as time went on and statements and resolutions by political leaders and various groups were multiplied, it even became difficult to arrive at any satisfactory conclusion as to what Indian opinion of the report really was. The Congress were consistent throughout. In fact Mr. Bhulabhai Desai, Secretary of the Parliamentary Board, drove this consistency to the length of denouncing the Committee's recommendations lock, stock and barrel before they appeared. "The Congress mandate", he said in a statement which was reported in the press on the 22nd November, "is clear and unmistakeable; it is obvious therefore that no Congressman can have anything to say on the Joint Parliamentary Committee's report". In spite of this apparently final pronouncement the Working Committee met at Patna on the 5th December and expressed their views in a lengthy resolution. Their position was somewhat delicate. Complete rejection of the reforms would seem logically to entail a return to the policy of boycott and civil disobedience, which the country had clearly shown itself to be against. Further there was a large body of opinion which considered refusal to work the reforms impracticable, while the only alternative which Congress could propose, was the still somewhat nebulous conception of a constituent assembly. The Working Committee decided emphatically to reject the scheme. The relevant portion of their resolution merits repetition. "This Committee is of opinion that the said scheme should be rejected, while knowing the rejection must involve the necessity of struggling under the present constitution, humiliating and intolerable as it is, until it is replaced by one framed by a constituent assembly in accordance with the Congress resolution on the subject". This enunciation of policy was vigorously attacked in most non-Congress quarters, as showing a lack of statesmanship and bad tactics. It was urged and not without reason, that although the Congress might by resolution reject the Joint Committee's report, they were incapable of achieving its rejection in practice without the assistance of other parties; further they were charged with alienating Muslim

support by their uncompromising condemnation of the Communal Decision, and their failure to indicate how the proposal for a constituent assembly was to be put into practice evoked general criticism. The Working Committee of the Congress Nationalist Party which met at Benares on the 28th December, adopted a comprehensive resolution describing the Parliamentary Committee's report as "unsatisfactory and unacceptable".

Moderate opinion.

The Liberal or Moderate opinion is somewhat more difficult to assess. On the 29th November Sir Tej Bahadur Sapru and Mr. Jayakar in a long critical statement apparently advising acceptance of the report, said they could foresee no possibility in the near future of any alternative constitution being devised in India or England which would be acceptable to the country as a whole, and emphasized that a "negative and destructive policy", such as had already influenced the general outlook on India in England, would seriously affect India's future prospects for a long time to come. This attitude undoubtedly represented the view of a substantial body of moderate opinion, and signified consent to work the reforms for what they might be worth. Before the end of the year, however, Liberal opinion appeared to have undergone a radical change. On the 28th December the Council of the National Liberal Federation held its annual session at Poona. It was attended by 400 delegates from all over India, among them many prominent members of the group, including Mr. Jayakar. The Council passed a resolution which contained the following statement : "The Federation is convinced that any constitution based on the lines of the Joint Parliamentary Committee's report will be wholly unacceptable to all shades of Indian political opinion and will, far from allaying, very much intensify the present deep political discontent in the country. This Federation, therefore, does not want any legislation based upon the Joint Committee's report".

During the last week of the year political organizations all over the country recorded their views on the report in outspoken, and for the most part uncompromising denunciation. The All-India Muslim Conference and the All-Bengal Landholders' Conference were the only two groups who did not reject the Committee's recommendations outright. The Muslim Conference declared that though "the constitutional advance proposed in the Joint Parliamentary Committee's report is as a whole disappointing, the best course for

Indians is not to reject the coming reforms but to make united efforts to attain full responsible government ". Leaving aside detailed comments, the two main objections which recurred from the first in the criticisms of almost all shades of national opinion were firstly, the apparently deliberate avoidance of the phrase " Dominion Status " and reluctance of the Committee to define in precise terms India's constitutional goal. The other objection was to the extent of the safeguards and reservations, and far reaching powers of the Governor-General and provincial Governors.

The criticisms analysed.

A nationalist paper in Bombay with surprising frankness came perhaps nearest to the truth in its criticism of Congress and Moderate alike. With the words " rejection " and " unacceptable " ever on their lips, neither group, the paper said, had any practical policy to offer the country, " if all are agreed that the new constitution does not improve the political condition of the masses it is obviously wrong to leave the Government under the impression that in the end it will be worked. If on the other hand, it is agreed that the constitution will have to be worked willy nilly, when it comes, why not be honest about it and say so ". Since the close of the year the Government of India Bill has been received and considered in the Legislative Assembly, and it is difficult to believe that all the damnatory criticism which greeted the publication of the Joint Parliamentary Committee's report was entirely honest.

Attitude of the Princes.

An appreciation of the attitude of the Princes does not properly fall within the scope of this report, since it was not till the 16th of January 1935 that the Chamber of Princes finished its discussions on the Joint Parliamentary Committee's recommendations. It may, however, be mentioned here, in order not to leave obvious blanks in this picture of Indian opinion, that the Princes while broadly welcoming the scheme as an advance on the White Paper, found it too difficult to commit themselves to any definite decision before the publication of the Government of India Bill, as their entry into the federal scheme must depend largely on the manner and form in which the future constitution affecting their interests would be drafted.

Provincial Council opinions.

In several of the provincial Councils the report formed the subject of debates, which though inconclusive were moderate in tone. The Punjab Council recorded the view that the " report does not satisfy the aspirations of Indians ", while the United Provinces and

the North-West Frontier Province Councils accepted the Government's non-committal resolution that the report be taken into consideration. In the Bengal Council the trend of the non-official speeches followed the lines of press criticisms, but was generally moderate in tone and undistinguished by any feature requiring special note. None of the other provincial Councils had considered the report before the close of the year.

The All-India Village Industries Association.

Reference has been made in preceding paragraphs to the reasons leading up to Mr. Gandhi's retirement from the Congress and to the resolution passed at the Bombay session of the Congress in October to organize a Village Industries Association. On the 19th November he issued a statement describing the steps that had been taken towards establishing the new organization. The Central Board was to consist of " only a few earnest persons having a living faith in the Association's programme " and would be selected irrespective of parties. This non-political, non-party aspect of the organization was emphasized in many nationalist papers, notably in the chief newspapers of Madras on the 21st November; but that there were evidently two sides to this question, appeared from another article published about the same time in a Bombay journal, also of unquestionable Congress sympathies. The article pointed to the necessity of increasing Congress influence in neglected rural areas, a necessary preliminary to the reorganization of villages for political action, and urged Congress workers to " spread themselves out in the villages, imbue the villagers with Congress ideals, and prepare the ground for such mass action as may be necessary in the near future ". The resolution which constituted the Assciation itself made specific reference to the fact that the aim of Congress has been since its inception progressive identification with the masses. The effect of the recent civil disobedience movement had not been to further this aim; on the contrary the cultivating class had definitely emerged as losers, in consequence of the no-rent and no-tax campaigns. In furtherance of its general political aims, therefore, it was imperative for Congress to establish touch with the rural population. Measures designed to improve their economic condition would plainly afford the best hope of success. Mr. Gandhi's belief in the efficacy of mass civil resistance had not apparently altered, and Congress had at Bombay ratified the decision which left the manner and time of its use entirely in his hands. Government certainly felt justified in allow-

ing for the eventuality that apart from its avowed economic or humanitarian objects, the Village Industries Association might prove to be of far-reaching political importance. Provincial Governments were therefore apprised of the potentialities of the situation created by the Bombay Congress session and advised to watch developments. The advice was conveyed in a confidential Government circular, access to the contents of which was irregularly obtained by the press and made the basis for a published article in December. An immediate outcry arose in nationalist circles and Government were attacked for their suspicions of Mr. Gandhi's motives. In particular that part of the circular which emphasized the necessity of pushing on vigorously all practical schemes for the improvement of the economic condition of the masses was denounced as intended to forestall Mr. Gandhi's efforts in the same direction. To pursue this incident to its conclusion it will be necessary to make a brief incursion into the history of the following year. When the new Assembly met in January 1935, the Congress Party moved a vote of censure on Government for issuing the circular. In reply the Home Member quoted extensively from articles and speeches by Congress politicians which had appeared in Congress newspapers and which fully justified the suspicions which Government had entertained regarding the political significance of the Village Industries movement. Two expressions of Congress opinion quoted by the Home Member, may be reproduced here. The special correspondent of a Bombay pro-Congress journal commented on the movement as follows : "If I were asked to say what I think of Gandhiji's move I would say that after what I have seen and heard in Bombay, Gandhiji has planned a new offensive whereby he wants to close in from all sides and leave no scope for escape for the Government in any future non-violent struggle he may initiate. Mahatmaji wants the Assembly to be run by Congressmen, he wants the economic fight to be waged by himself from outside the Congress. But there is no doubt that the Congress is to be broadened with a view to undertaking another plan for making the authorities yield to pressure". On the 13th January there appeared an article in another leading pro-Congress newspaper written by Sardar Sardul Singh Caveshar, a member of the All-India Congress Working Committee. In the course of the article he quoted the following statement by Sardar Patel to an audience at Ahmedabad: "We

Government's attitude in regard to the Association.

have not given up the fight for freedom; we have merely changed the mode of the fight. It is no use now going to jail or conducting a no-tax campaign. We have to fight against our own weakness without coming into conflict with Government so that we may acquire strength for the fight when it is resumed. True socialism lies in the development of village industries ". Congress did not deny the accuracy of Government's view and the motion of a vote of censure was talked out. Actually the " leakage " of the circular's contents appears to have done more good than harm.

Mr. Gandhi's correspondence about salt manufacture.

Before concluding this survey of political history during the year, two other events of some interest remain to be recorded, one relating to the manufacture of salt and the other to the question of Mr. Gandhi's visit to the Frontier. On the 26th November Mr. Gandhi released for publication in the press, correspondence which had passed between himself and the former Finance Member as long ago as the previous March. Mr. Gandhi had enquired of Sir George Schuster whether the clauses in the Irwin-Gandhi agreement relating to the manufacture of salt had been rendered inoperative by the resumption of civil disobedience, and received the reply that the clauses remained valid.

His projected visit to the Frontier.

On the 11th December appeared in the press under an explanatory statement by Mr. Gandhi, correspondence that had passed between himself and the Viceroy's Private Secretary on the subject of a proposed visit to the Frontier. His object in visiting the Frontier, he said, was to know its people at first hand, see how far the teaching of non-violence by Khan Abdul Ghaffar Khan had permeated his followers, and propagate his village industries scheme. In the explanatory statement Mr. Gandhi refers to the fact that Khan Abdul Ghaffar Khan, leader of the Frontier Red Shirts, was under arrest. This politician after release from jail on 27th August had engaged in extensive tours throughout India indulging in many inflammatory anti-Government orations, until he was again arrested early in December and sentenced to 2 years' imprisonment for a seditious speech delivered at Bombay. Mr. Gandhi was informed that His Excellency considered the visit undesirable and that this decision was based on a consideration of the events of recent years and present conditions. Mr. Gandhi abandoned his proposed visit.

FIFTH SECTION. The terrorist movement.

In a previous section mention was made of the Viceroy's speech to the Central Legislature at Simla in August. His Excellency referred to the improvement in the terrorist situation, a short account of which during 1934 will now be given. Last year's report briefly described the origin and extent of this movement which has been a grave menace to the peace of India for many years, and showed how from Bengal, always the centre of its inspiration, it spread first to Northern India and later to the Madras Presidency and Assam. In Northern India terrorism without Bengali inspiration, is probably only of sporadic growth, and the arrest of several important Bengali terrorist organizers led to improvement in the situation in these parts. Although open manifestations in such non-Bengali areas have been fewer, the seeds of terrorism have been widely sown and constant watchfulness is needed to prevent them from germinating. A further potential source of danger, which has become more pronounced during the year 1934, is the community of ideas between Communists and terrorists.

Summary of the position in Bengal in 1934.

In Bengal the number of outrages committed during 1933 was considerably lower than in any of the three preceding years, and a justifiable conclusion was drawn that there had been a gradual improvement in the situation. The year 1934 began with an outrage in Chittagong, where on the 7th January a murderous attack was made with bombs and revolvers on Europeans assembled to watch a cricket match. Due to the prompt action of the Superintendent of Police this affray fortunately ended with serious loss only to the assailants who were all killed or captured. The Superintendent of Police was wounded arresting one of the culprits. An attempt to bomb a police station in Howrah district on the 6th May, was followed on the 8th May by the attempt on the life of His Excellency Sir John Anderson on the Lebong race course, which has been described elsewhere. These incidents, together with occasional terrorist dacoities or robberies throughout the year, show that there has been no diminution in the desire of members of revolutionary organizations to commit acts of terrorism whenever opportunity offers. On the other hand, resolute measures by Government have led to increased success in frustrating terrorist crimes and holding the movement in check. Sir John Woodhead, acting Governor of Bengal, speaking at a dinner in Calcutta on St. Andrew's Day, said that the position as regards terrorism showed a marked improvement on the previous

year. " The lack of success by the terrorists ", he added, " the successes of the police in unearthing terrorist conspiracies and bringing terrorists to justice, the large mass of information now available in many districts, though as yet by no means in all, and the considerable finds of arms and explosives, all point their own moral. The steady and continuous pressure is proving successful ". Early in the year action had been taken to strengthen and preserve anti-terrorist legislation and the Bengal Criminal Law Amendment Act, 1934, which was passed by the Bengal Council by 61 votes to 16 was designed to replace without time limit various temporary Acts about to expire. The temporary nature of previous legislation had proved a serious handicap in dealing with what had become a permanent evil. Important features of the Bill are the powers given to District Magistrates to prevent recruitment to terrorist organizations, by the suppression of societies and clubs suspected of being infected with terrorism, and by assistance to parents and guardians who are anxious to keep boys in their charge clear of undesirable influences. The Bill gives increased powers for checking incitement to terrorism in the nationalist press and provides for the imposition of the death sentence on persons found possessing arms intended for murderous use.

Public opinion in Bengal.

A definite change in the attitude of the public in Bengal towards terrorism is another feature of 1934 which, if it proves lasting, should be of first importance in combating the evil. Sir John Woodhead suggested that the Lebong outrage was probably the turning point in the terrorist situation. From that date the tide of Bengali public opinion began to flow against the terrorist, and the unequivocal and unqualified condemnation of this outrage by the nationalist press of Bengal was unique in the history of terrorism. A telling indictment of the press for their past share in the responsibility for terrorism was contained in a speech at Calcutta early in June by Kumar H. K. Mitter, President of a Landholders' Association. " One of the greatest allies of the terrorists ", he said, " since the beginning of the movement has been the press. The glorification of the cult of murder reached its worst in 1931. The natural consequence of this daily poisoning of the minds of the credulous public has been to create a mentality which believes that Government is responsible for all ills that flesh is heir to. In such an atmosphere every subversive movement, therefore, has met with

open or tacit approval of large sections of the people". After Lebong the Government of Bengal revised and strengthened the rules under the Bengal Terrorist Outrages Act, 1932, and conducted intensive propaganda for the mobilization of public opinion, by means of lectures, pamphlets and demonstrations to show the evils and futility of terrorist methods.

In spite of an improvement in the situation and the expressions of public opinion in Bengal against terrorism at numerous meetings and conferences throughout the year, the history of the movement in Bengal clearly demonstrates that relaxation in the pressure exercised against it would inevitably lead to its revival.

The position in other Provinces.

Assam.

In Assam and Burma the movement is practically confined to Bengalis. A consequence of the persistent pressure on terrorists in Bengal was a more lively manifestation of the evil in Assam. Terrorist dacoities and robberies in 1933 and again in February and March 1934, when on one occasion postal articles to the value of nearly ten thousand rupees were stolen, led to the passage in the Assam Council of a Bill to deal with terrorism. Two further serious railway dacoities occurred in this Province during the year, in June and November, involving the loss of postal articles to the value of nearly twenty thousand rupees.

Burma.

In Burma, where special legislation to deal with terrorism has been in force for some time, terrorist activity among Bengalis in the Akyab area continued, and the formation of a new Violence Party in Rangoon was disclosed through the arrest of a Bengali student. The programme of this party included the commission of armed robberies and dacoities, raids on banks, and the assassination of high Government officials and police officers.

United Provinces.

In the United Provinces an interesting manifestation of terrorist activity which occurred at the end of last year was a bomb explosion in the Gandhi Ashram at Sitapur, when a man blew his hands off. In June of 1934 two bombs were thrown in Cawnpore, one on the 16th at the quarters of the Deputy Superintendent of Police, and the other into the Bristol Hotel during a dance. Both bombs failed to explode. In July Congress ex-convicts resorting to terrorist methods, carried out a daylight robbery in Lucknow. In August a gardener was injured by a bomb which had been left on the steps of a church.

Bombay Presidency.

In the Bombay Presidency a series of bomb explosions at Sholapur in April, apparently intended to terrorise loyal mill workers during the textile strike, again point to the interchange of

methods between Communists and terrorists. On the 30th April an accidental explosion in Poona led to the discovery of the fact that a local Communist was collecting explosives. In June a bomb was thrown in Sholapur, at a European spinning master, who fortunately escaped injury. The surprising attempt to bomb Mr. Gandhi at Poona on the 25th June has already been described. Though possibly actuated by religious rather than political motives, the incident very clearly showed that terrorism made no distinctions.

Rajputana.

Certain events in Ajmer showed the existence of terrorist conspiracy in Rajputana. In July some mills bomb cases and revolvers were found in an outhouse attached to the Mayo College, and some prosecutions were started. In November, the arrest of a youth with a revolver at the Ajmere railway station led to the discovery of a gang of terrorist conspirators, of which the prime mover was an ex-accused in the Delhi Conspiracy Case.

In other parts of India no terrorist activities of importance occurred.

SIXTH SECTION.

This Chapter will be concluded with a brief reference to certain affairs of political interest to India which do not naturally fall into any of the foregoing sections.

Kathiawar States. Nawanagar.

By a resolution of the Government of India, dated the 26th August 1933, the issues arising out of the late Maharaja Jam Sahib of Nawanagar's protest against the reimposition of the Viramgam Customs Line against his State in 1927 were referred with the consent of the parties to a Court of Arbitration, consisting of the Right Hon'ble Viscount Dunedin, P.C., G.C.V.O., as sole member, with instructions to report the results of his investigations to the Governor-General. The arbitrator held that His Highness the Maharaja was entitled to a share in the customs collected at his ports on goods destined for British India, the Governor-General being left to determine that share. The Governor-General accepted the arbitrator's finding and fixed the share in accordance with an agreement arrived at between the parties disputing, His Highness being allowed from the 1st April 1934 to retain the customs duty on goods passing from the Nawanagar State outside the limits of Kathiawar up to a maximum of Rs. 5 lakhs per annum, any balance over and above the figure of Rs. 5 lakhs being paid to the Government of India.

Nepal.

As a fitting culmination to the longstanding friendship that has been enjoyed with Nepal, His Majesty the King-Emperor was pleased to raise the status of the British Envoy to that of an Envoy Extraordinary and Minister Plenipotentiary at the Nepalese Court, also to receive a Minister of corresponding rank from the Kingdom of Nepal at the Court of St. James', London. The appointment of Representative to the Government of Nepal in India has recently been altered to that of a Consul-General.

Chinese Turkestan.

Events in Chinese Turkestan caused the Government of India some anxiety. A serious revolt against Chinese authority in Kashgar and the neighbourhood, by the Tungan and Turki leaders, resulted in loss of life and property by peaceful Indian traders in spite of the unremitting efforts of His Majesty's Consul-General at Kashgar to secure their protection. On one occasion His Majesty's Consulate at Kashgar was attacked by Tungan rebels, and it was only the gallant defence offered by the British and Indian personnel which saved the Consulate from more than a few casualties. The Chinese Government have expressed their deep regret for this occurrence and have also officially acknowledged the correctness of the Consul-General's attitude of strict neutrality towards the various factions which have from time to time secured control over this area. Later news was more reassuring, in that the Chinese forces together with a Pacification Commissioner entrusted with the task of restoring law and order were reported to have reached Kashgar and were engaged in re-establishing Chinese authority.

Refugees from Russia and Chinese Turkestan.

Some embarrassment was caused by the influx to India of refugees from Russian and Chinese Turkestan, who were able to enter this country *via* Gilgit. These persons were for the most part completely destitute and were frequently accompanied by women and children, whose re-expulsion across the inhospitable mountains of Central Asia was repugnant to humanitarian principles. It is hoped that this influx has now ceased and arrangements have been made for the settlement in Brazil of a number of the refugees.

Burma-Chinese Frontier.

The Boundary Commission of 1900 was unable to come to a final decision or to demarcate on the ground a small portion of the Burma-Chinese frontier, in the Wa States. The Government of India claimed the Scott Line as the boundary between Burma and China whilst the Chinese maintained that the Liuchen Line, much further

west, was the boundary. During the current year, with the sanction of the Secretary of State, the Burma Government in concert with the Burma Corporation despatched a party to survey the possibility of the mineral development of an area known as Panglong lying in the Wa States west of the Liuchen Line. The survey party was accompanied by a small escort of the Burma Military Police for protection against a possible attack by the local tribesmen. They had definite instructions not to enter into the disputed zone and no such entry was made. While the survey party was there Chinese forces entered the disputed zone, and penetrated on certain occasions west of the Liuchen Line. His Majesty's Government made a strong diplomatic representation to the Chinese Government regarding this trespass into undisputed British territory, and also suggested negotiations with a view to delimiting the disputed frontier. As a result of the representation Chinese forces were withdrawn and negotiations are now proceeding for the delimitation of this frontier.

Indus Kohistan.

The Indus Kohistan on both banks of the river was transferred on the 1st May 1934 from political control of the Gilgit Agency (Kashmir) to that of the North-West Frontier Administration. Hitherto such control as has been exercised in these areas has been negligible. Though the inhabitants are in no case Pathans and speak a variety of dialects, the only language in which the people of these secluded valleys are able to communicate with the outside world is Pashtu, and their natural outlet is in the direction of the North-West Frontier Province. Some of the tribes have already intimated their desire to have their forest areas surveyed and properly exploited, a measure which can most easily be carried out by the North-West Frontier Administration, so that they stand to benefit in every way by the transfer that has been effected. The conservation of forest areas in the upper reaches of the Indus basin is of growing importance for the prevention of floods and the protection of the immense irrigation works down the river as far as the Sukkur Barrage.

CHAPTER II.

The Bihar Earthquake.

Extent.

In area and intensity the earthquake of January 15th, 1934 which devastated a large part of North Bihar equals some of the biggest seismic disturbances in history. It was felt over 1,900,000 square miles in India and Tibet and was recorded in most of the seismological stations of the world. Khatmandu in Nepal suffered much damage and the tremors were felt as far north as Lhasa. The main area of very severe intensity lay in Bihar and was in the shape of an irregular ellipse some 4,700 square miles in extent, stretching 160 miles east-south-east from the west of Motihari to Purnea and from the Nepal border to the south of Muzaffarpur and Darbhanga. Within this area, there was a belt of maximum intensity—the epicentral tract—about 20 miles in width and 80 miles in length from the east of Motihari through Sitamarhi to Madhubani. There were also two other zones of severe intensity : one narrow elongated tract extending east and west between Patna and Monghyr along the Ganges, and the other at Bhatgaon near Khatmandu in Nepal.

The shock.

The main shock occurred at 2-13 P.M. on the 15th January, and was preceded by a rumbling sound which was heard for some seconds before the shaking was felt. The shock itself lasted for a period which varied between two and a half and five minutes in different places and seems to have been in two stages with a lull of a few seconds between each stage. Although in an area of 6,000 square miles probably not a single masonry house remained undamaged and

Loss of life.

twelve towns with populations from 10,000 to 60,000 were almost entirely demolished, the loss of human life was surprisingly small, and is estimated at 7,253 deaths. There were several factors which operated to lessen the loss of life. The earthquake occurred at a time of day in the cold weather when most people in the rural areas were out of doors ; it was so prolonged that town dwellers had time to evacuate their houses before the shock reached its maximum intensity and buildings collapsed. If the earthquake had occurred at night the death roll must have been enormous.

Manifestations of the disturbance.

In the worst affected areas the shaking was so intense that people were unable to stand up, and in the open country the undulations

could be seen distinctly. Fissures of great depth and sometimes several hundred yards in length, caused by pressure and slumping of the ground, opened up and ejected floods of water carrying fine sand which inundated the country and formed an impediment to agriculture and communications for several weeks after the earthquake. There is authentic record of human beings and animals having been temporarily imprisoned in a closing fissure and also of carts and motor cars which sank into the ground and had to be dug out. A peculiarity of the disturbance was the formation of geysers, which usually appeared after the shock had stopped and spouted up sand and water often to a height of 6 feet. Wells being in direct connection with the subsoil layers of water-bearing sand, ejected sand and water with explosive force, and after the earthquake were left choked almost to the surface with sand. In the epicentral area destruction of buildings was caused by the general slumping of the ground. Houses tended to sink into the ground and were left standing though tilted at various angles, foundations were however found to be destroyed and the masonry shattered. At Monghyr and outside the slump area buildings were damaged by shaking rather than by slumping.

Destruction of buildings.

Communications.

Roads and railways subsided over considerable areas. Over 900 miles of the track and 361 bridges and culverts on the Bengal and North-Western Railway were seriously damaged and destroyed. Bridges were destroyed usually as the result of the movement of the stream beds, and masonry bridges suffered most. Girder bridges collapsed owing to the tilting of piers and abutments.

First appreciations of the disaster.

With the interruption of normal communications and disabling of the telegraph and telephone lines, the immediate effect of the earthquake was to isolate the inhabitants of the towns and villages affected and to throw them on their own resources. At Patna, the provincial headquarters, the local Government could obtain little information as to what had happened and what assistance was required in outlying places, and it was some days before a real appreciation of the disaster was conveyed to the outside world. It was not until the morning of the 16th January that telegraphic communication with Muzaffarpur could be re-established. Motihari was completely cut off by road, rail and telegraph for some days after the earthquake. The telegraph line there from Muzaffarpur was re-opened on the 18th January, and that on to Darbhanga on the 19th, while the line to Sitamarhi was not to be restored till the 24th.

Between Patna and Monghyr the telegraph line was interrupted until the 17th.

Reconnaissance by aeroplane proved of great service in surveying the damage and establishing communication between headquarters and the stricken areas. On the 16th January the Government telegraphed to Calcutta for two aeroplanes. The same day an aeroplane of the group known as "Captain Barnard's Circus" happened to fly over Muzaffarpur. The pilot made a precarious landing on the *maidan*, where the landing ground had been marked out among the fissures, and the same evening a reconnaissance was made towards Motihari and Sitamarhi. This aeroplane flew on to Patna. The Indian Air Survey and Transport Company sent an aeroplane from Calcutta and on the 19th the Bengal Government aeroplane arrived, and a private one belonging to Mr. H. I. Mathews who placed his aeroplane and his own services at the disposal of Government. On the 25th an aeroplane sent by the Royal Air Force arrived and was in constant use till wrecked in taking off at Darbhanga on 11th February. On the 19th January the Governor of Bihar went to Tirhut by air.

Immediate measures of local relief.

While the first preoccupation of the local Government was to get into touch with the worst affected areas prompt measures of relief were being taken in the ruined towns. A reference to the map at the beginning of this report will show clearly the areas where the earthquake reached the severest intensity. A general description of the first measures taken to deal with the catastrophe may now be attempted, with reference to the chief urban centres. In the main epicentral tract the Sitamarhi and Madhubani subdivisions were the worst affected. In Sitamarhi only one house of any size escaped destruction, and in Madhubani 70 to 80 per cent of the masonry buildings collapsed or were badly damaged. The authorities in both towns took prompt steps to organize relief and control the situation. A camp hospital was opened in Sitamarhi, and effective steps taken to control prices.

Madhubani.

In Madhubani relief work to extricate living persons from the debris was organized ; the Treasury guard strengthened, accommodation for patients in the hospital provided ; prices were controlled and clearance of the town on systematic lines started. South of the Ganges a narrow tract extended east from Patna where the intensity of the shock was abnormally great.

Monghyr.

Monghyr is situated at the eastern extremity of this narrow strip and here the

ruin was most complete. There was heavy loss of life in the town and the total number of deaths was computed to be 1,260. The main bazaar was demolished and the people paralysed by the shock. A fire broke out at dusk on the 15th and was not brought under control until the early hours of the following morning. All night long the police patrolled the town and helped in the rescue work. During the night a force of constables and military police arrived from Bhagalpur, and steps were taken to collect coolies. The Imperial Tobacco Company at Bhagalpur rendered valuable assistance and sent 270 men under their officers. By the following morning systematic rescue work and clearance of the bazaar could be undertaken. Side roads and lanes were completely obliterated and indistinguishable in the heap of ruins. Gangs of coolies worked wherever there was a prospect of recovering living persons. From a portion of the main road about 12 yards in length 40 bodies were taken from the debris. In the middle of these operations a further shock occurred which caused a panic, and one coolie was killed. Organization of urgent relief continued during the next few days. On the 16th the Commissioner of the Division and the Agent of the East Indian Railway arrived. Arrangements for the collection and distribution of food supplies were made ; shelters were erected ; a messenger was sent to Patna for medical stores. From outside, food and volunteers for relief work began to arrive. A party of boy scouts came from Bhagalpur and started ambulance work. Relief parties from the Bhagalpur Marwari Sudhan Samiti, from Nawada and from the Marwaris of Calcutta arrived on the 17th and 18th January. The Salvation Army officers and members of the Santal Mission helped in ambulance work. On the 20th January a special train sent by the Tata Iron and Steel Company arrived with 120 tons of iron sheets, five trucks of rice and mechanics and tools, and at once started erecting temporary hospital and other housing accommodation. Four relief centres were organized for distribution of food, blankets and other necessities and medical aid attached to each. By January 24th the Red Cross Hospital Unit from Calcutta started work.

Muzaffarpur.

Muzaffarpur town though not lying in the epicentral tract, and outside the slump area also suffered severely and 956 deaths were recorded in the town and 1,583 in the district. The civil courts, district offices, Commissioner's office and the Imperial Bank were badly damaged. In the Purana Bazaar, which contained many old

two-storeyed buildings built of poor material there was extensive ruin and loss of life. Most of the wells were choked with fine sand. As in the other centres the authorities took immediate action to control food supplies and prices. As soon as the earthquake occurred, assistance was obtained from the Officer Commanding the detachment of the 1st Battalion the East Yorkshire Light Infantry. In addition to relieving the police in the Jail and Treasury guards the troops did valuable work in clearing debris. By the 18th January 12 relief centres and 4 sanitation centres had been opened, and drinking water was being distributed in lorries from a properly disinfected tank.

Darbhanga.

In Darbhanga town 310 lives were lost ; the damage here was less than at Muzaffarpur and the destruction of buildings not so wholesale. The worst havoc occurred in those portions of the bazaar which contained two-storeyed houses built of inferior materials. Rescue work was started at once and first aid stations and camp hospitals opened. Magistrates were sent to each town outpost with an advance of money to assist in rescue and relief. The District Magistrate who was on tour when the earthquake happened, returned to Darbhanga on the 17th. Proclamations were then issued calling for labour to clear the roads, and prescribing the prices of food, and a bulletin was published containing the latest news and notices for the public. Sanitary measures were enforced and public health measures were quickly organized within the first few days after the earthquake, and parties of medical students were deputed to the bazaar. Messrs. B. K. Paul of Calcutta sent a relief hospital which worked in conjunction with the Darbhanga State hospital and deserves special mention. By the 19th the Treasury and the Imperial Bank opened.

Motihari.

Motihari was completely cut off by road, rail and telegraph for days after the earthquake. As a result of the slumping of the ground buildings were tilted at all angles in the most spectacular fashion. Hardly any of the Government buildings survived. On the afternoon of the 16th January the aeroplane belonging to Barnard's Circus flew low over the town. On the 17th another aeroplane dropped a message announcing the arrival of police. The same evening the telegraph was reported open to Muzaffarpur. Meanwhile the work of rescue and clearance was progressing ; volunteers were enrolled as special police, food prices were fixed and published, and news

bulletins issued. By the 21st road communications were to some degree restored.

Restoration of railway communications.

The achievement of the Bengal and North-Western Railway deserves special mention. Over 900 miles of line, hardly a mile of track was undisturbed. Many of the major bridges collapsed and hardly a culvert could be used until it had been examined and repaired. Large quantities of rolling stock were marooned. By the end of January 1,683 miles were open to traffic. A further 300 miles were opened in February and by the middle of April all lines had been re-opened.

Police re-inforcement.

One of the first anxieties of the Government was the fear of outbreaks of disorder and looting in the ruined towns. Actually the threatened menace came to nothing, partly owing to the state of dazed stupefaction which prevailed for some days, partly owing to the efficient measures which were taken to control prices and partly because of the prompt arrival of the police. Reinforcements of armed and civil police, detachments from the Gurkha Military Police and the Mounted Military Police were moved to various towns in the earthquake area within three days after the shock and a further large force was kept ready to move at a moment's notice.

Assistance from the military authorities.

In response to requests by the local Government for assistance in the work of clearing the wreckage of buildings and demolishing structures which had been left in a dangerous state by the earthquake, the military authorities sent detachments of Sappers and Miners from Midnapore, Jhansi and Roorkee, and a detachment of the 3rd Battalion, 18th Royal Garhwal Rifles from Midnapore. The Sappers and Miners were also of greatest assistance in repairing and constructing bridges on the main roads. Indian Army Service Corps lorries greatly facilitated the clearing of the debris at Muzaffarpur and Monghyr. The cold in Northern Bihar in the middle of January was intense and one of the most urgent necessities was the provision of temporary shelters. The military authorities and provincial Governments lent large quantities of tents. An appeal was broadcast for blankets, clothing, bandages and medical stores of all kinds for the sufferers. The Bihar and Orissa branch of the Indian Red Cross Society opened a depot at Patna and all stores were forwarded through this distributing centre. A special organization was created to ensure the rapid transport of stores north of the Ganges ; it was staffed by police officers and professors, and students from the colleges in Patna escorted the consignments. Over 40,000 blankets,

546 tents and 4,840 bags of flour in addition to quantities of other articles were distributed from the Patna depot and only one package went astray and one was stolen *en route*.

Messages of sympathy.

Messages of sympathy were received from His Majesty the King Emperor, from the Secretary of State and from His Excellency the Viceroy as well as from the Governors of other Provinces, and many organizations and persons. On the 19th His Excellency the Viceroy announced the opening of the Viceroy's Earthquake Relief Fund.

Some estimate of permanent effects and measures of reconstruction.

As soon as immediate relief measures had been organized it was possible for the local Government to consider how they could best embark on the restoration of the damage which the earthquake had caused. It was evident that the process of reconstruction must occupy a considerable time and that its cost would be far beyond the financial resources of the Province. Many problems faced the administration. There was first the possibility of further disastrous earthquakes in the near future to consider. It was apparent that there had been some changes in the levels of the country and in an almost flat area, with the rivers flowing over the alluvial plain in beds higher than the surrounding country, it was possible that with the advent of the monsoon disastrous floods might sweep across the land. At first it appeared that a very large area of the country had been permanently affected by a layer of sand which had been ejected from the soil. The area so affected had to be ascertained and it appeared probable that the Government would be called upon to provide for an agricultural population of over 800 to the square mile which was deprived of its only sources of livelihood. Throughout North Bihar wells and tanks had been destroyed or choked with sand. Over a large area the water supply of man and beast was seriously affected, and Government had to devise immediate measures to restore the water supply and to provide against shortage in the approaching hot weather. A serious loss which it appeared the cultivator would have to suffer in addition to the damage he had already sustained was the prospect of the destruction of the sugarcane crop. A large proportion of the sugarcane factories had been damaged by the earthquake and railway communications were everywhere impaired. Buildings both public and private, and public works belonging to District Boards and Municipalities, had been ruined on an extensive scale and the replacement of these was a gigantic task which had to be faced at once. It was clear that local bodies themselves could not finance the requisite measures and would have to

be given large grants. Municipalities in particular were confronted with the loss of an important part of their revenue derived from tax on houses. Financial help would also be necessary to enable private persons to rebuild, but it was clear that the task of reconstruction could not advance sufficiently rapidly to enable the whole population to obtain adequate shelter before the monsoon broke, and temporary houses on a large scale seemed necessary.

Financial measure.

Before describing briefly the steps taken to deal with these various problems it will be of interest to indicate the manner in which it was proposed to finance the work of reconstruction. The revenue of the Government of Bihar and Orissa which amounts to about 5 crores of rupees a year is only just sufficient to meet the annual obligatory expenditure. It was clear that the financing of earthquake operations would be beyond the resources of the Province. At an early stage as soon as the extent of damage became apparent the Government of India promised their full financial support, the detailed arrangements were announced in the course of Sir George Schuster's budget speech on the 28th February, 1934, to which a further reference is made in another Chapter of this report. The Government of India agreed to pay the full cost of replacing damage done to the property of the local bodies, and all schools, hospitals and other institutions which received aid from local bodies or from Government. In addition they undertook to make grants to local bodies to enable them to meet their current expenditure until the crisis had passed. They further agreed to provide half the cost of replacing the property of the local Government and to lend the balance. Finally advances were promised to cover the cost of house-building loans which the local Government proposed to issue to the public. The cost of the special sugarcane measures was also found by the Government of India. The various relief funds which have already been mentioned were thus available for expenditure of a charitable nature.

Measures of organization.

To co-ordinate measures of reconstruction a special department of Government was organized under a Relief Commissioner, who was also appointed a Secretary to Government. The problems created by the earthquake affected almost all branches of the administration; the Public Works Department in particular required extensive re-organization, and several new Executive Engineers' divisions as well as supervising posts were created. Four new special posts under the title " Town Engineer " were created, separate to the Public Works

Department, to supply engineering advice to the public and to Municipal bodies on the rebuilding of houses, and also to control supplies of building materials and advise the Collectors in connection with the issue of house building loans and free grants.

Survey of levels.

After the earthquake reports began to come in which suggested that there had been radical changes in the whole level of the country. The geological experts indicated that there was no improbability that the levels had been altered by 7 or 8 feet owing to the settlement of alluvial soil. Operations to check levels were undertaken by the Survey of India. This work was completed by the end of May and the results were more reassuring than at first appeared probable. They indicated that the country had tilted very slightly to the south-east which is the general line of the drainage, and that no catastrophic changes of levels had taken place. The monsoon broke soon after the report was received and the course taken by the floods confirmed these conclusions. The anticipation however that the normal monsoon floods would be more serious than usual made it necessary to devise a special organization for flood rescue work. Over 500 boats were supplied by different agencies and an elaborate organization was worked out by which the boats were stationed in groups at strategic points from which they would be able to reach flooded areas. It was also decided to use aerial observations during the floods. The event proved the necessity of these arrangements. In the middle of July serious floods occurred along the Bur Gandak and Bag Mati rivers. Aerial observations enabled accurate information to be supplied in a few hours, and the organization of boats proved of great value. When the floods subsided it was found that about 20 village sites to the north of Muzaffarpur had become inhabitable. The removal of these villages to safer sites has since been undertaken and financed from the Earthquake Relief Fund.

Sand Deposits.

The effect of the sand deposits which at first appeared the most menacing of the problems which faced the local Government, fortunately proved to be less serious. Early alarmist reports indicated that vast tracts had been turned into deserts. With an agricultural population of over 800 persons to the square mile, widespread and permanent deterioration of the soil would have been a disaster of great magnitude. Detailed plot surveys of the area affected were made during March, April and May. In all an area of 4,137 square miles covering 4,152 villages was surveyed. Fifteen per cent, or 615 square miles, out of this area was found to be

affected by sand. Of this 615 square miles 7 per cent contained deposits of less than six inches. 52 per cent was below one foot. Deposits of over one foot covered 37 per cent or 227 square miles, and 4 per cent or 24 square miles had deposits of over two feet. The actual damage which was done to standing crops by the sand deposits was much exaggerated. At the time of the earthquake the paddy crop had been harvested. Spring crops and the bulk of the sugarcane crop was standing. Low crops such as gram were in some cases smothered by sand and destroyed, but crops which were tall enough to protrude above the sand suffered little damage. The general conclusion of scientific investigation into the nature of the sand deposits gave reason to hope that the constituents of the sand were not such as to render cultivation impossible. Government made arrangements to issue loans to substantial cultivators and free grants to small cultivators to enable them to re-condition their fields. The loans bore interest at 6¼ per cent, were free of interest for the first year and were repayable in six years. In conjunction with this monetary relief, the Agricultural Department organized a series of demonstration parties to show cultivators the best methods of sand clearance. As the year progressed it became evident that the forces of nature were more efficient than human efforts in restoring the land. The strong summer winds did a certain amount to scatter the deposits, while the monsoon rains did more, and although much land of lighter texture has undoubtedly deteriorated, the deterioration is not complete, it is not likely to be permanent, nor is the extent of land affected so great as to constitute a serious economic problem.

Marketing of the sugarcane crop.

The principal crop standing at the time of the earthquake was sugarcane. Much of the cane is grown under an agreement with a factory, but considerable quantities are grown as speculation and sold where the cultivator can get the best price. The earthquake damaged seven sugar factories so severely that there seemed to be no prospect of their working again during the season. Their disablement appeared to mean that the cultivators would lose the whole of the season's crop worth nearly 40 lakhs of rupees. Government met this threatened catastrophe by encouraging and helping the cultivators to turn their cane into a marketable product on the spot, and also took steps to facilitate the sale of the cane to factories outside the earthquake area. As regards the first of these measures, the Director of Industries was placed on special duty to arrange for a supply of sugarcane crushing mills driven by bullocks as well as for pans for

the boiling down of the juice into jaggery or *gur*. With the help of demonstration parties organized by the department the cultivators were instructed in the lost art of *gur* manufacture. This method had died out in North Bihar with the development of modern sugar factories on a large scale. At the end of the season the price of *gur* rose to nearly double its former figures, and helped by a freight concession granted by the railways, the cultivators were able to sell their *gur* to advantage. In order to prevent the agents of certain factories which had not been damaged by the earthquake from exploiting the needs of the cultivators and buying cane at extremely low prices, and also to organize the supply of cane from the affected areas to undamaged factories, a Cane Marketing Board was formed. The Board became the sole selling agency for the surplus cane, and special freight rates were confined to cane handled by this body. The operations of the Board were markedly successful. Before the end of the season, five of the damaged factories resumed crushing and took off a considerable quantity of the cane. The general result of the cane operations was that when the season came to an end early in May, the majority of the cane had been disposed of. It was only in North Darbhanga that any appreciable quantity was left, and this was largely due to the fact that cultivators did not make full use of their bullock mills.

Water-supply problem.

Damage to wells over a very large area drove the inhabitants to obtain their drinking water from streams or tanks. The circumstances favoured the outbreak of epidemic diseases among the population already weakened by privation. As a preliminary measure the sinking of small Abyssinian tube wells, costing about Rs. 50 each, was undertaken. The Mayor of Calcutta devoted Rs. 50,000 of his fund to a programme which aimed at sinking a thousand of these wells, while local bodies also sunk a considerable number of wells of the same type. The Bihar Central Relief Committee reported that they had sunk over 300 tube wells. As time went on the campaign for the improvement of water-supply took the form of cleaning old wells and constructing new surface wells where the old wells had been damaged beyond repair, this work was taken up by the various relief societies. Small grants of money from the various relief funds were distributed to enable wells to be cleaned by the villagers, and Government made grants to local bodies for the same purpose. Generally speaking the measures taken were adequate to restore the supply of drinking water to a reasonable degree.

Reconstruction of Government property.

The book value of Government buildings destroyed by the earthquake was about Rs. 42 lacs though the actual cost of replacing them is likely to be more. The cost of repairing buildings which did not collapse is estimated at Rs. 22 lacs. The immediate problem which had to be faced was the extent to which any reconstruction should reckon with the probability of future earthquakes. In addition it was felt that over a large area particularly in Tirhut and Purnea, the fissuring and slumping of the soil and the ejectment of sand made it unsafe to build until the soil stability had been tested by the monsoon. South of the Ganges there was no indication that the earthquake had rendered the soil unstable, and work could commence as soon as materials were available and plans and estimates framed. Each town had its own peculiar problems, and the question of new sites for administrative buildings where reconstruction on the original sites was out of the question, required very careful consideration.

Reconstruction of the property of local bodies.

Property belonging to the District Board, namely, roads and bridges, rural dispensaries, schools, veterinary hospitals, inspection bungalows, pounds and other buildings suffered considerable damage over a large area. Once the dimensions of the damage became known it was clear that neither the District Boards nor the Municipalities could replace their losses out of their own resources. The Government of India, therefore, agreed to bear the whole cost of replacing the damage done to the property of local bodies. They also agreed to make grants to enable them to carry out their normal responsibility. In the District Boards south of the Ganges, damage was mainly confined to buildings and it is estimated that a sum of Rs. 10 lacs will be sufficient to finance all earthquake repairs and reconstructions in these areas and most of the work has already been completed. In Monghyr the wreckage in the town was extreme and the cost of replacing the damage to municipal property is estimated at Rs. 4¾ lacs. The most immediate need was repairs to communications, and efforts were successfully concentrated on effecting them before the monsoon. In financing the local bodies Government made advance grants to be adjusted when more detailed information was available. Rs. 29,51,000 have already been advanced, requirements in 1934-35 are estimated at Rs. 18 lacs and in 1935-36 at Rs. 48 lacs. Expenditure on District Board operations was controlled by the Inspector of Local Works and the district officers, and special staff was appointed to supervise and inspect the repair and construction work. A special

staff was also employed and arrangements made in Municipalities for the supervision of plans and estimates for the reconstruction of Municipal property.

Damage to private house property and distribution of financial assistance.

The destruction of private house property was the greatest and most universal of the losses inflicted on the people. In rural areas the cultivator's hut made of mud with a roof of thatch or tiles carried on light bamboo frame work often collapsed, but the damage was of a nature which could be repaired by the house owners themselves without great difficulty or expenses. The slightly better class of houses, loosely built of mud and bricks suffered severely. The towns with their congested bazaars and weakly constructed houses fared worst. Government assistance took the form of expert engineering advice, for which purpose special advisory engineers were appointed, but it was clear that the provision of financial help was the best form of assistance which could be given. To regularise the grant of loans on easy terms the Bihar Government passed a special emergency measure, the Bihar and Orissa Natural Calamities Loans Act. This Act provided for two classes of advances : one class enabled persons who could not take a loan at all otherwise than from Government, to obtain a loan up to Rs. 1,500 at 4½ per cent interest repayable in from 6 to 9 years. The loan was free of interest for the first year. The second class of loan, not subject to any limit of amount, bearing interest at 6¼ per cent was repayable in from 12 to 15 years. In all 2,205 loans at 4½ per cent, and 821 loans at 6¼ per cent were sanctioned. It may be noted that the rate of interest in the ordinary market for loans on the security of houses was about 14 per cent. Apart from these advances free grants to poorer houseowners amounting to Rs. 27½ lacs were distributed in the towns. These grants were made from the Viceroy's Earthquake Relief Fund, supplemented by a grant of Rs. 8 lacs from the Indian People's Famine Trust. The amount of the grant was in each case less than Rs. 100. Larger grants varying from Rs. 300 to Rs. 1,000 were made for the relief of middle class families which had suffered relatively greater losses than others in the catastrophe. Grants of this nature amounting to Rs. 6,53,803 were made to 2,018 recipients. Special assistance was also found necessary for land owners and planters, who besides the loss of their residential houses were faced with the problem of rebuilding their collection offices and other estate buildings. To meet their difficulties Government agreed to a suspension of land revenue in genuine cases of hardship, and also advanced loans

amounting to Rs. 4,85,000 under the Agriculturists Loans Act to enable land owners to rebuild, pay their land revenue and generally re-organize their business. In addition free grants from the Viceroy's Fund totalling Rs. 1,27,500 were made to planters in serious financial difficulties. Finally free grants from the Viceroy's Fund amounting to Rs. 2,02,271 were given to 1,907 recipients for purposes other than house building. These grants were mainly for the assistance of legal practitioners and their employees who had suffered owing to the cessation of cases, to persons thrown out of employment owing to business losses arising out of the earthquake, and to others who had been subjected to severe expenses of various kinds.

Construction of semi-permanent houses.

The issue of loans and grants on so extensive a scale was necessarily a matter requiring time and organization, meanwhile the problem of providing temporary accommodation particularly in the ruined towns before the advent of the rains awaited solution. It was evident that the make-shift shelters put up by inhabitants themselves, or the various kinds of grass huts built by different relief societies would not be sufficient to stand prolonged spells of wet weather. It was therefore decided to construct colonies of weather-proof houses of a cheap type designed to last for about two years, since it was by no means certain that sufficient permanent houses would be reconstructed by the rains of 1935. Allotments from the Mayor of Calcutta's fund were made to District officers out of which they built colonies, styled the "Mayor's colonies", at Darbhanga, Muzaffarpur, Motihari and elsewhere. Other semi-permanent colonies were financed from the Viceroy's Fund to the extent of Rs. 11 lacs. The most common type of quarter was built with a corrugated iron roof covered with grass or tiles, with walls or bamboo covered with clay. At the smaller centres local materials were available, but for the larger colonies elaborate arrangements were necessary to obtain adequate supplies of corrugated iron, ballast, poles and bamboos.

Town-planning operations.

Large portions of the principal towns in the earthquake area had been completely destroyed; in Monghyr town for instance the central bazaar collapsed so completely that it was transformed into a gigantic rubble heap, piled 15 feet high and extending over 15 acres. Conditions in Darbhanga were much the same on a smaller scale. It was suggested in certain quarters that these towns should be rebuilt anew on modern lines, and the houses should be only of an earthquake-proof pattern. The proposal, however, did not take into

account the scanty financial resources of the majority of house-owners. Town planning therefore, resolved itself mainly into devising means for widening roads in certain congested localities. Experience had shown that the greatest loss of life occurred in localities where the roads and lanes were so narrow that the crowds of people escaping from the houses could not reach a place of safety. Advice by the town engineers on the subject of building better houses, and pamphlets describing the commoner defects of existing forms of construction, with advice how they could be avoided, were made available to the public. For the reconstruction of Darbhanga an Improvement Trust was formed and financed by the Maharaja who made a grant of Rs. 5 lacs and a loan of Rs. 9 lacs.

The organization of supplies.

The problem of providing supplies of building materials on a scale altogether unprecedented has already been indicated. It was almost impossible to forecast the rate of demand, but it was certain that unless special measures were taken profiteering in building materials would occur. The problem presented special difficulties in North Bihar which is poorly served with external communications. To meet the immediate demand for materials for the repair of houses and construction of temporary shelters in the first month after the earthquake, District officers laid in stocks of corrugated iron, ballast, poles, thatching grass, etc., at various centres and sold them at concession rates. At this stage it was thought advisable to cheapen the cost of such material. The railways allowed generous freight concessions, Government furnished sal poles at a bare cost of extraction and supplies of bamboos and timber. The Tata Iron and Steel Company for a time supplied sheets at a special price. These measures were necessary in the early days after the disaster, but as time went on it became more important to stimulate the regular trade in building materials than to aim at providing such materials at very low prices. The policy of Government was then directed to maintaining not an artificially low range of prices, but the steadiness of prices at a level which was reasonable from the point of view of the consumers and would at the same time encourage the development of private enterprise. A further problem, especially in North Bihar, was the provision of an adequate supply of bricks. Local brick-burners did not appear to be making arrangements to burn bricks on a scale at all adequate to meet the probable demand, nor even to be laying in a supply of brick-burning coal. Government purchased 50,000 tons of brick-burning coal in August which was transported to

15 dumps adjacent to the principal brick fields. Arrangements were made to sell the coal to burners under an agreement which provided that the bricks should be sold to the public at a fixed rate. In order to ensure that a supply of bricks for permanent reconstruction work should be adequate, Government entered into a special guarantee with brick-burners. The amount which each brick-burner might reasonably be expected to burn at his own risk was estimated Government guaranteed that, if he burnt a specified additional quantity, they would purchase at a fixed price any portion of this additional quantity which he was unable to sell by the end of the season. Under this system Government gave guarantees for the purchase of 72 million bricks at the different centres in Tirhut.

Charitable funds and the work of relief societies.

The appeals to the public resulted in the collection of about a crore of rupees in the major funds which was subscribed for the relief of sufferers. The generous response of the public in India and elsewhere provided resources which were of inestimable value to alleviating the suffering. They made possible the distribution of help on a very large scale. When the Viceroy's Fund was closed on the 1st of October 1934 a total of Rs. 60,16,041 had been subscribed. The fund was administered by a Central Committee at New Delhi, and the actual expenditure was directed by the local Committee at Patna. The whole disbursement remained in the hands of officers of Government. More than half the fund has been spent on grants to help private owners to effect permanent reconstruction of their houses. One-sixth was spent on semi-permanent housing to shelter the population during the rains, and the balance on charitable relief, the provision of supplies and other items. The cost of administration was only Rs. 3,507. The most important of the charitable funds, after the Viceroy's Fund, is that raised in response to the appeal launched by Babu Rajendra Prasad, the leader of the Congress party in Bihar. The subscriptions up to the middle of November 1934 amounted to Rs. 28,39,565 in cash and Rs. 3,30,587 in kind. The fund was administered by an organization styled " The Bihar Central Relief Committee ". The Committee took a full share in the distribution of food, clothing and blankets immediately after the earthquake, and sent out a number of workers who engaged in rescue work, the provision of medical aid, the clearing of debris, and building of temporary grass huts. In response to a letter from Babu Rajendra Prasad Government gave him a full description of the problems arising out of the earthquake, they indicated the measures

which they proposed to take, and the manner in which the funds of the Committee could best be expended so as to supplement those measures. The published accounts up to the 30th September 1934 showed that there were balances amounting to Rs. 14,03,000, and advances totalling Rs. 1,37,000. Offices and equipment, stock, cycles and cars had absorbed Rs. 1,28,000, and administration expenses Rs. 34,000. The balance, representing expenditure on actual relief to the public was Rs. 12,60,000. At the end of the year a large portion of the subscriptions apparently remained unexpended. The Mayor of Calcutta opened a special fund which ultimately amounted to Rs. 4¾ lacs. In consultation with the local Government Rs. 94,000 were spent on the erection of semi-permanent huts. Rs. 50,000 were allotted for the sinking of tube wells, and sums amounting to Rs. 1,15,000 were placed at the disposal of His Excellency the Governor for expenditure on relief. Among the numerous other relief organizations which collected funds and engaged in charitable activities may be mentioned the Indian Red Cross Society, the Ramkrishna Mission, and the Memon Relief Society, the Kalyan Brata Sangha, the Marwari Earthquake Relief Association, and the Distressed Cattle Committee.

Attitude of the press, the public and the Legislative Council.

The attitude of the local press was friendly. The editors published all matters which they were requested to publish and were nearly always ready to give prominence to corrections of published matter which proved to be inaccurate. Among newspapers outside the Province particularly those which represented the more extreme school of politics, there was a disposition to misrepresent the measures taken by official agencies, and to make political capital out of the situation. The attitude of the leaders of public opinion in Bihar was one of full cooperation with Government, and there was a very general recognition that the situation was being handled in an efficient manner. Throughout the operations leading men of all shades of opinion cooperated freely and effectively with each other and with Government. There was an absence of carping criticism and a general feeling that in the face of an unexampled catastrophe which had befallen Bihar, political controversies should be forgotten and all should unite in the work of restoration. The Legislative Council showed the same attitude, and Bills to facilitate the issue of loans for house-building and to amend the Municipal Act to suit the new circumstances, and to constitute an Improvement Trust for Darbhanga, were passed by the Council.

CHAPTER III.

Problems of Defence and Emigration.

Scope of Chapter.

In this Chapter certain outstanding events will be described connected with India's defence and internal security, administration of the Army and the position of Indians in the Dominions and Colonies.

Troubles on the Frontier.

On the North-West Frontier, military and air force operations were necessitated in the Bajaur country owing to an agitator who appeared in the village of Kotkai and was reported to be indulging in intrigue in cooperation with Muhammad Tahir, a *munshi* of the Khan of Khar. To prevent unrest amongst the frontier tribes, the Government of India ordered notices to be dropped on all the chief centres of Bajaur, warning the people that, unless these two men were handed over by the 29th July, such action as was considered necessary, by air or land, would be taken against them. As the men were not handed over by the date fixed and their harbourers maintained a defiant attitude, warning notices were dropped on Kotkai instructing the inhabitants to remove their women and children as the village would be bombed. The village was accordingly bombed between the 1st and the 5th of August. Meantime in the event of land operations becoming necessary in the Bajaur country, it was decided to rebuild a bridge over the Panjkora River which had been washed away by a flood, and on the 17th August, an infantry brigade was sent to Balambat to cover the construction of a temporary bridge. During the latter half of August the Bajauris expelled the two wanted men from their territory, and the brigade was consequently withdrawn after the completion of the temporary bridge at Balambat on the 6th September.

The disturbances in Mohmand territory, which lasted from the end of July to the end of September 1933, owed their inception to longstanding jealousies which existed between the Upper and Lower Mohmands. During 1932, the Upper Mohmands threatened on various occasions to attack the Halimzai, a Lower Mohmand tribe on the border of the Upper Mohmand territory. These threats culminated in a raid into Halimzai territory in April. Further raids were only averted by a proclamation that Government would protect

With the compliments of the
Director of Public Information,
Home Department, Government of India.

the Halimzai by force if the threatened attack materialised. In July 1933, the murder of an Upper Mohmand by a lower Mohmand in the Gandao Valley served as an excuse for the Upper Mohmands to attack the Halimzai. The real motive for the attack, however, was partly to pay off old scores and partly to induce the Lower Mohmands to sever their connection with Government. The first attack was beaten off by the Halimzais, but only after a number of their villages had been burnt. The Upper Mohmands then concentrated in greater force, and their hostile intentions being established Government decided to intervene. Two infantry brigades, with the Royal Air Force cooperating, were despatched into the Gandao to protect the Lower Mohmands in fulfilment of the undertaking given the previous year and to cover the construction of a motor road so that help could be sent more rapidly in the future. Every effort was made to come to a peaceful agreement with the Upper Mohmands and on the 12th September a *jirga* of the latter accepted Government's terms. By the 25th September the *lashkars* had disappeared, and by the 3rd October the troops were back in their peace stations. The construction of the road which was completed to Yusuf Khel in Halimzai territory by the 24th September cannot but have a civilising effect on all the Mohmand tribes by increasing intercourse between tribal territory and the settled districts, and by facilitating trade; from the military point of view it will permit of the rapid despatch of a force in support of the assured clans, should such assistance again become necessary.

Waziristan. In last year's report mention was made of the incursions into Khost in February 1933, of bands of Wazirs and Mahsuds in sympathy with disaffected elements on the Afghan side of the Durand line. As a result of continuous propaganda by the same agitator who had been largely instrumental in fomenting the trouble during February 1933, some small parties of Tori Khel Wazirs from the Shaktu again crossed the border into Khost at the beginning of September 1933. Immediate and effective action was taken to prevent the spread of the movement. Scouts moved into the Shaktu, supported by the Razmak Column, and all those known to have been implicated in the Khost incursion of February and March, including relatives of the absentees, were arrested. The house and tower of the leader were demolished, hostages were taken, and the column commenced its withdrawal. No opposition was encountered

until the final march into Razmak on the 7th September, when a party of tribesmen took advantage of the very broken and thickly wooded country to get inside our piquet line and fire on the column; Captain T. R. Evans of the 4|15th Punjab Regiment was killed and two Indian other ranks wounded. The operation had the immediate effect of compelling the return of those who had left for Afghan territory. The tribesmen were not slow to mark the determination of Government not to permit a recurrence of the events of February. The incursionists were themselves arrested on return, and not released until they had deposited security rifles to vouch for future good behaviour. This operation was also valuable in opening the Shaktu Valley to troops for the first time since the occupation of Waziristan. This area, though enclosed by the Razmak circular road, is particularly lawless, shared, as it is, between the Wazirs and the Mahsuds; and being comparatively close to the settled districts, affords an easy harbourage to malcontents and raiders.

Internal affairs. Bengal.

Within the limits of India the additional garrison of one British and six Indian battalions continued to be maintained in Bengal. It will be recalled that these units had been stationed in different centres of Bengal in the summer of 1932, in consequence, of the increasing terrorist activities in the Province. The garrison has undoubtedly done much to improve the situation.

Alwar.

It was found possible to withdraw the last of the Imperial troops, which had been sent to Alwar in January 1933, by the middle of August 1933. Since their withdrawal everything has remained quiet in the State.

The Army. Equipment.

In the field of military administration, some interesting progress and changes were made in the direction of equipment, mechanization and organization. Experiments are continually being made with new patterns of equipment, a number of which, after full trial, are introduced into the service. Only in this way can the Army keep pace with the latest developments in warlike stores or in articles common also to civil life such as transport vehicles, and thereby ensure the economical maintenance of the defence forces. The outstanding re-equipment measure of this period has been the introduction of the Vickers-Berthier gun in cavalry units. The first batch of these guns has been received, and plans have also been made to substitute it for the Lewis gun in infantry units. With a view to cutting down transport requirements in war, a system of oil cooking

is being introduced. This will reduce by 75 per cent the weight of fuel to be supplied daily on active service. Other important items of equipment under trial or experiment are various types of smoke-producing weapons, wireless apparatus, artillery tractors, trailers, light cars, and a new rifle.

Mechanization and Organization.

The two medium brigades of the Royal Artillery were re-organized. Where previously a medium brigade, R. A., consisted of one battery of four guns (60 pounders) and three batteries of four guns (6 inch howitzers) each, under the new organization it consists of a Brigade Headquarters, one battery of four guns (60 pounders) and two batteries of six guns (6 inch howitzers) each. Thus these brigades retain their effective gun power, but certain economies have been made in transport and personnel.

Dehra Dun became the permanent headquarters of the Meerut district which previously had been located at Meerut during the winter and at Ranikhet during the summer. The present arrangement is more satisfactory from the training and internal security point of view, and obviates the move of the headquarters twice a year.

Loan of troops in connection with earthquake relief work.

During the Bihar earthquake of January 1934, troops and stores were placed at the disposal of the Government of Bihar and Orissa and detachments of Sappers and Miners proceeded immediately to the devastated area to render assistance.

Indianization.

The Indian Military Academy.

During the year under review, sixty-seven cadets (thirty-four through the competitive examination and thirty-three from the ranks of the Indian Army, including the Auxiliary Force, India, and the Indian Territorial Force), were admitted into the Indian Military Academy, Dehra Dun, to be trained for commissions in the Indian Land Forces. The excess of seven over the normal intake of sixty cadets was due to the necessity of replacing four who were withdrawn and three who were removed from the Academy during the year. Ten candidates from the Indian States Forces were also admitted. The deficiency of ten in the normal intake of twenty cadets of this category was due to the fact that fully qualified candidates in sufficient numbers were not forthcoming from the Indian States.

Indian Regiment of Artillery.

Detailed proposals were accepted for the formation in 1935 of " A " Field Brigade of the Indian Regiment of Artillery. This unit will consist of a Brigade Headquarter and four Batteries. Volunteers

from other arms, to form a nucleus of warrant officers and non-commissioned officers for the new Indian Brigade, are at present attached to the 14th Field Brigade for training. The 14th Field Brigade is itself due for transfer to the Imperial Establishment in January 1935 and will not be replaced in India by a Field Brigade of the Royal Artillery. Three Indian King's Commissioned officers, who are attached to units of the Royal Artillery in India will be transferred to "A" Indian Field Brigade, and the rest of the officers required will be provided by volunteers from amongst officers of the Royal Artillery, who will be replaced gradually by Indian officers as they become available from the Indian Military Academy.

The Defence Services' Budget.

The arrangement known as the stabilised military budget which was introduced in 1928-29 has been fully described in previous reports. The original intention was to stabilise the budget for a period of four years ending 1931-32 at an annual figure of Rs. 55 crores in the hope of financing an urgently required re-equipment programme and thereafter securing a reduction in the size of the budget. In 1929-30, it was decided to extend the period of stabilisation up to 1932-33 at a reduced figure and in 1930-31 the period was further extended to 1933-34 at a still lower figure. By means of retrenchments, postponement of the re-equipment programme and the emergency cut in pay, the defence budget for 1932-33 was reduced to Rs. 46.65 crores, exclusive of Rs. 9 lakhs for the expansion of the Indian Territorial Force. The budget for 1933-34 which allowed for certain further retrenchments and for the partial restoration of the emergency cut in pay was fixed at Rs. 46.12 crores exclusive of Rs. 8 lakhs for the expansion of the Territorial Force. The estimate of Rs. 46.12 crores was reduced in the course of the year to Rs. 44.34 crores mainly as a result of the contribution from His Majesty's Government, which resulted from the report of what is commonly known as the Capitation Rate Tribunal, briefly described below.

Capitation Rate Tribunal.

In 1932, His Majesty's Government in agreement with the Government of India, appointed an advisory Tribunal under the Chairmanship of Sir Robert Garran, lately Solicitor-General to the Commonwealth Government of Australia, to consider questions arising out of the incidence of the cost of India's defence expenditure, with special reference to the charges, known as the Capitation charges, made by the War Office and Air Ministry in connection with the

raising and training of British troops for service in India. Two members of the Tribunal were nominated by His Majesty's Government and two by the Government of India. The Tribunal assembled in London in November 1932 and submitted its report to the Prime Minister in January 1933. After careful consideration, His Majesty's Government and the Government of India agreed to accept those recommendations of the Tribunal which were unanimous, and to act on the recommendations of the majority where the conclusions were not unanimous. This involved acceptance by the Government of India of Capitation charges calculated in accordance with the Tribunal's suggestions as a legitimate charge against Indian revenues, and the payment to India of a sum from British revenues towards the cost of India's defence expenditure. It was estimated that, when certain adjustments had been made, the net result would be a gain to India of £1,417,000 a year. The report of the Tribunal and the decisions reached were made public on the 20th December 1933.

The Royal Air Force in India.

The establishment of the Royal Air Force in India remained at a strength of eight Squadrons and one Bomber Transport Flight. The budget estimate for 1933-34 was fixed at Rs. 1,58.69 lakhs.

Royal Air Force Activities.

During the period covered by this report, aircraft of the Royal Air Force in India have flown 1,042 hours on operations. Between July and October 1933, the Squadrons under No. 1 (Indian) Group, Royal Air Force, were employed in Mohmand territory in cooperation with the military forces covering the road-making operations in that area, and in Bajaur in connection with the refusal of tribesmen to surrender certain individuals who had been fomenting trouble. As a result of an attack by the Afghan Ghilzais on a party of the Tochi Scouts in January 1934, the Royal Air Force detached flight, stationed at Miranshah, carried out reconnaissances in Waziristan in cooperation with the Tochi Scouts and helped in dispersing the Ghilzais. No. 5 (Army Cooperation) Squadron cooperated with detachments of the Chagai Levy Corps on the Kalat-Sind Frontier, where they were engaged in rounding up a gang of dacoits. A flight of No. 31 (Army Cooperation) Squadron was twice despatched from Quetta to Fort Sandeman as a precautionary measure against any incursions by the Afghan Ghilzais. No *lashkars* appeared, but reconnaissance flights were made along the frontier and over the Militia Posts. In addition to the normal training occupations, the Royal Air Force undertook three special long distance exercise flights.

On the 25th October 1933, five Hart aircraft visited Gilgit; a flight of No. 27 (Bomber) Squadron flew from Kohat to Rangoon in December 1933; and a flight of No. 11 (Bomber) Squadron from Risalpur to Singapore in February 1934. On the two last mentioned exercises the flights were accompanied by a twin engined aircraft from the Bomber Transport Flight, Lahore. The Royal Air Force cooperated with the Survey of India and completed the survey of Waziristan, Black Mountain and Landi Kotal areas. Finally mention must be made of the Moth aircraft which went to Patna in Bihar on the 24th January 1934 to assist the local Government in reconnoitring the area affected by the earthquake.

The Indian Air Force.

The first unit of the Indian Air Force was formed at Karachi on the 1st April 1933, consisting of a nucleus of Squadron Headquarters and one complete flight of four aircraft. The necessary British officers and airmen for duty as instructors were attached to the unit from its formation. The flight was trained in army cooperation duties and took part in Sind (Independent) Brigade Area exercise in January and February 1934. Two officers out of the five previously commissioned to the General Duties Branch were killed in a flying accident in Sind in September 1933. Four cadets completed their course at the Royal Air Force College, Cranwell, they were gazetted to the General Duties Branch, and were attached to Royal Air Force units in England. The total number of cadets at Cranwell at the close of the year was five. The training of apprentice mechanics and other classes of airmen was continued throughout the year.

The Royal Indian Marine.

The Indian Navy (Discipline) Bill, which was rejected by the Indian Legislature in 1928, was reintroduced in the Legislative Assembly, and a motion for circulation for the purpose of eliciting opinion was accepted. The most important result of the passing of the Bill, though an indirect one, is the raising of the status of the Royal Indian Marine to that of a Navy, and its emergence as the Senior Indian Service. One cadet from the Indian Mercantile Marine Training Ship "Dufferin" was selected for appointment to the Royal Indian Marine and has been sent to England for training. There are three Indian officers (one in the executive, and two in the engineer branch) serving in the Royal Indian Marine and eleven cadets under training in the United Kingdom—four for the executive, and seven for the engineer branch.

During the year a new sloop was under construction in the United Kingdom to replace the obsolete Patrol Craft "Baluchi". The new sloop will be named "Indus" and will carry as her main armament two Q. F. 4.7″ guns.

Indians in South Africa. The Transvaal Asiatic Land Tenure Act Commission. The Colonization Enquiry Committee.

The rest of this Chapter will contain a brief account of the main events concerning the position of Indians abroad. Mention was made in the last report of the Transvaal Asiatic Land Tenure Act Commission, and the Colonization Enquiry Committee appointed by the Government of the Union of South Africa. The former had not completed its work at the end of the year and the Government of India were still awaiting its report. The report of the Colonization Enquiry Committee was published simultaneously in India and South Africa on the 2nd July 1934. The main recommendation of the Committee was that further investigation as to the successful operation of a colonization scheme might advantageously be made by a joint Commission in British North Borneo, British New Guinea and British Guiana. The Government of India, after carefully examining opinion expressed on the report, both in India and in South Africa, and after consulting the Standing Emigration Committee of the Indian Legislature, communicated their views to the Union Government towards the close of the year.

Unemployment amongst Indians in Natal.

Unemployment among Indians in Natal, which was noted in last year's report, showed no appreciable improvement and the Durban Corporation and Pietermaritzburg Municipality, with the help of a subsidy from the Union Government, continued the relief granted to 300 and to 50 Indians respectively.

Educational facilities for Indian children.

The Agent in South Africa has been making persistent endeavours to obtain more educational facilities generally for Indians in the Union and particularly in Natal. For various reasons, apparently chiefly financial, the Natal administration has hitherto proved difficult to move, though in a few cases concessions have been made. During the current financial year, however, a sum of £10,000 in addition to the Union Government subsidy, has been set aside for Indian education in Natal. The Union Government have also further increased the grant for Indian classes in technical education. In the Transvaal, facilities for secondary education have been made available for the first time to Indian students in Johannesburg.

Other Dominions.

In the other Dominions the position of Indians showed no material change. It is, however, gratifying to note that in Western

Australia a welcome move was recently taken. Here alone of all the States of the Commonwealth of Australia, the Constitution and Electoral Acts disqualify, among others, a native of Asia from being registered as an elector for the Assembly. In order to bring Western Australia into line with the other States in regard to this matter, a Bill has been introduced which seeks to remove the disability, so far as Indians resident there are concerned.

Kenya.

As regards East Africa, it will be remembered that as the result primarily of the decision of His Majesty's Government to stand by the findings of the Joint Select Committee of Parliament on East Africa, which were to the effect that the control of His Majesty's Government in the United Kingdom must remain unimpaired, and that an official majority must be retained in the Kenya Legislative Council, the Indian community had, by the entry of its representatives into the Legislative Council, without prejudice to its preference for the principle of a common electoral roll, shown a disposition to take a share once again in the political life of Kenya. This decision was welcomed on all sides. Rumours that a prominent European settler had had secret conversations with the Secretary of State for the Colonies and that the balance of power might be upset, caused some alarm amongst the local Indians, which was further intensified by a movement amongst the European settlers in favour of the appointment of a Finance Committee with wide powers of financial control on which non-official Europeans should preponderate. Protests against any such change were made and demands for increasing the Indian representation in the Kenya Legislative Council, and for replacing the present communal electorates by a general electorate were revived. Inquiries made by the Government of India on receipt of representations from Africa, elicited the fact that the Secretary of State for the Colonies had reiterated the intention of His Majesty's Government to stand by the findings of the Joint Select Committee on East Africa. While, therefore, there has been no change in the direction indicated above, the appointment of a Standing Finance Committee with an official majority was announced towards the end of July 1934. The Indian community is represented on this Committee by one member. Apart from the question of constitutional changes, a question which has been causing concern to the Indian community in Kenya, is that of legislation to control the marketing of native produce. Such legislation already

exists in Tanganyika and Uganda, and in July 1934 the text of a Bill to control and regulate the marketing of native produce was published. Briefly, the Bill seeks to regulate the selling and buying of native produce by such methods as limiting the number of licences, and confining sales to specified localities so as to ensure control over quality. In view of the apprehensions of the Indian community in regard to the proposed measure, the Government of India deputed Mr. K. P. S. Menon, I.C.S., to inquire into the probable effect upon Indian interests of marketing legislation in Tanganyika, Uganda and Kenya. Mr. Menon's report was received towards the close of the year and as a result of representations made by the Government of India, the postponement of the introduction of the measure was secured pending consideration by His Majesty's Government of the representation.

Zanzibar.

In Zanzibar, Mr. Menon was deputed to inquire into the situation which had arisen as a result of certain Decrees, which the Indians resident in the Protectorate alleged had been passed without adequate prior discussion of their possible effect on the Indian business community. The most important of these Decrees are the Alienation of Land (Restriction and Evidence) Decree, 1934, and the Clove Growers' Association Decree, 1934. The former, which is designed to check the growth of indebtedness among the Arabs and Africans and the consequent tendency for land to pass out of their hands, prohibits the permanent alienation of land by members of those races without the previous sanction of the British Resident. The latter practically confers a monopoly of the clove export trade to the Clove Growers' Association, and contains provisions exempting that body from the payment of stamp duties and other Government fees. Mr. Menon's report was still under consideration at the close of the period under review.

Ceylon and Malaya.

The revival of the tea and rubber industries, which was mentioned in last year's report, showed further progress during the year 1934. An international scheme for restricting the output of rubber was agreed to by the principal rubber producing countries and was brought into force with effect from the 1st June 1934. This resulted in a substantial rise in the price of rubber and the revival of work on estates. The demand for labour increased and recruitment in South India for estates in Ceylon went on briskly. A decision was also reached on the question of resuming assisted emigration to

Malaya, which was pending at the close of 1933. Since there was a demand for labour in Malaya, and a desire to go there among prospective emigrants in Madras, the Government of India, in consultation with the Government of Madras and the Standing Emigration Committee of the two Houses of the Indian Legislature, decided to reopen emigration on the following conditions. Fresh emigration should be restricted to 20,000 during the first year; an emigrant should be repatriated free any time within two years of his arrival in Malaya on such reasonable grounds as ill-health, unsuitability of work, ill-treatment and inability to find work at standard rates of wages. Even after the expiration of two years, repatriation should be allowed on sufficient grounds. The Emigration Commissioner for Malaya in Madras should supply to the local Government monthly reports of conditions of employment, and the statement of information supplied to intending emigrants should be corrected as frequently as circumstances may require. The conditions were accepted by the Malayan Government and assisted emigration was resumed in May 1934. Recent reports from the Agent of the Government of India show that there continues to be a demand for labour and that the rates of wages are improving steadily.

CHAPTER IV.

Agriculture and Industry.

Agriculture.

Statistics.

The total area of India as computed for purposes of agricultural survey is 1,161* million acres, of which over 667 million acres constitute British territory. Of the latter rather less than 145† million acres were not available for cultivation during the year under report owing to the land being barren, or unculturable, or covered by water, roads, buildings, etc. A further 89 million acres are covered by forest. Of the balance available for cultivation, fallows accounted for 47.4 million acres, and 153.5 million acres were classed as unculturable waste, *i.e.*, lands which have never been cultivated or have been abandoned. The net area in British India actually sown with crops during 1933-34 was 232 million acres, of which 50.5 million acres was irrigated. If lands which carried more than one crop during the year are taken as separate areas, the total area sown was 267 million acres, an increase of 7 million acres over 1932-33. Food crops occupied 217½ million acres and other crops 49½ million acres. Food grains, *i.e.*, cereals and pulses occupied 206 million acres, or 77 per cent of the area sown, and other food crops including sugar, spices, fruits and vegetables 8 million acres or 3 per cent of the total.

The reports of the provincial Agricultural Departments for 1933-34 bear witness to the increased attention given to agricultural propaganda, as well as to the better organization of demonstrations of improved methods. In most Provinces there have been further developments in the arrangements for the supply of improved seed and in the organization for its production. In India where an almost incredibly large amount of human labour, compared to other countries, is devoted to the production of crops, it is obviously essential both that the efficiency of production should be raised and that the actual level of production per acre should be high in order to give the peasant a larger return for his labour. In another direction an important effort has been made to improve the conditions under

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*This figure is taken from 'Agricultural Statistics of India, 1931-32', Volume 1, the latest final statistics available.

†The statistics given in this paragraph relate to the year 1933-34 and are taken from 'British India—Agricultural Statistics, 1933-34 (Provisional)'.

which Indian agricultural produce is marketed by the setting up, under the Imperial Council of Agricultural Research, of a definite agricultural marketing organization. Towards the close of the agricultural year 1933-34, Mr. Livingstone of the English Ministry of Agriculture was appointed Agricultural Marketing Adviser to the Research Council and a scheme of work to be carried out in collaboration with the various Provinces and States has been worked out. Thus effect was given to another of the major recommendations of the Royal Commission on Agriculture and of the Central Banking Enquiry Committee. The introduction into general cultivation of improved strains of crops still forms the most prominent feature of the work of Agricultural Departments. It is not possible to give the total area under improved crops owing to the difficulty of ascertaining the "natural spread", but the ascertained area under improved varieties in British India now exceeds 16 million acres. The area under improved varieties of sugarcane is now over 2 million acres or 63½ per cent of the whole. Fairly complete figures are also available for cotton, and the area under improved strains is now known to be nearly 4 million acres.

Rice.

The most important single crop in India as well as the most important food crop is rice which in 1933-34 occupied 83 million acres with an estimated yield 30,863,000 tons compared to 82 million acres and 30,655,000 tons in 1932-33. Exports during the year amounted to 1,744,000 tons of which 1,527,000 tons were from Burma as against 1,887,000 tons and 1,657,000 tons respectively in 1932-33. In Burma and the United Provinces with only slight variations in area the yields greatly exceeded those of 1932-33, while the yields in Bengal and Assam were substantially reduced due to a less favourable season. India proper consumes more rice than she produces and annually takes substantial quantities from Burma ; the imports of rice and paddy for 1933-34 being 1,789,000 tons as compared to 1,046,000 tons in 1932-33. Exports of cleaned unbroken rice to the United Kingdom increased to 39,579 tons as compared to 37,343 tons in 1932-33 and 26,564 tons in 1931-32 consequent on the Ottawa preference. These exports consisted partly of high quality Burma rice and partly of the fine Bengal rice known in the trade as "Patna" (more correctly "Patnahi" or "Patnoi"). For the United Kingdom and continental markets better quality rices are needed and the progress made with the production of improved types in Burma is consequently of importance. Three Burma rice exhibits

secured prizes at the World Grain Conference and Exhibition held at Regina (Canada) in July 1933. The "Emmata" improved strains mentioned in last year's report continue to fetch encouraging premiums, and shipments were made to the London market with satisfactory results. In Madras the area under improved departmental strains of paddy increased from half a million to about 800,000 acres, and several new strains were evolved which combine heavier yielding qualities with increased resistance to disease. In Bengal, work at the central research station at Dacca was mainly concerned with the rigorous testing by modern statistical methods of new improved strains. At Bankura and Chinsura the two stations financed from the grants made by the Empire Marketing Board and the Imperial Council of Agricultural Research, work was continued on the high quality rices of Western Bengal including "Patnai" rice at Chinsura. In Bihar and Orissa a grant from the Imperial Council of Agricultural Research has enabled a proper botanical survey of the rices of the Province to be undertaken and rice-breeding work is in progress at the central research station at Sabour, at Cuttack in Orissa and at Ranchi in Chota Nagpur. At Sabour the mineral and water requirements of various strains of paddy are being studied. The area under rice in the Central Provinces in 1933-34 was 6,881,000 acres of which 468,000 acres were under improved varieties. At the Raipur rice research station which was established with the aid of a grant from the Imperial Council of Agricultural Research, a comprehensive botanical study of the rices of the Province and a 'genetical' survey of the rice soils has been in progress. At the Nagina Rice Research station in the United Provinces research has been mainly directed to the production of a more profitable type of rice for the Sarda Canal tract, and this has involved the study of hybrids between the enclosed ear type (*sathi*) which is practically immune to the Rice Bug, and heavier yielding high quality types.

Millets. The three major millets, namely, *juar*, *bajra* and *ragi*, occupied 38 million acres during the year under report. Considerable progress has been made of late years in the improvement of this important group of food-grains. In Madras successful results have been obtained from field trials of new types of *juar* (Sorghum) and *ragi* (Eleusive corocana). In the Central Provinces the area under improved strains of *juar* was approximately the same (138,000 acres) as in 1932-33. Plant-breeding work on the improvement of *bajra*

(Pennisetum typhoideum) is in progress in several Provinces and several selections are now undergoing yield trials. In Bombay and Madras special attention is being paid to drought-resistant strains of *juar* and *bajra* in connection with the scheme of experiments on 'dry-farming' financed by the Imperial Council of Agricultural Research.

Wheat. The area under wheat in India in 1933-34 was 36 million acres and the estimated production was 9,358,000 tons compared to 33 million acres and 9,452,000 tons in 1932-33. The increases in area occurred principally in the Punjab, where the average almost equalled the record (11,321,000 acres) of 1929-30 ; in the United Provinces and in Sind where extension of irrigation accounted for a considerable increase. No exports or imports of any importance took place as the import duty of Rs. 2 per cwt. was continued. Full details of the area under improved varieties of wheat have not yet been reported but it exceeded seven million acres of which 4,168,000 acres were in the Punjab. In the Punjab the selection Punjab 8A has become the standard type in several districts and is grown on 2¾ million acres. In the United Provinces the Pusa wheats predominate, but Punjab 8A has been found successful in some of the western districts. In the Central Provinces, the area under improved wheats was 478,000 acres—a small increase on the previous year. For the main wheat-producing area in the north of that Province, the great need is for rust-resistant and early-maturing wheats with higher yielding capacity. Four new types show great promise and are now undergoing multiplication. In Sind, special attention is being paid to quality in view of the future importance of the export trade. It is of interest to note that Pusa 111 which was shown by milling and baking tests to be a strong wheat of high quality equal to Manitoba, yielded well in Sind. Breeding work was continued at Pusa and at the Botanical substation at Karnal, and a number of promising new hybrids were undergoing trials and tests for milling quality.

Pulses. These food-grains which collectively occupy some 42 million acres annually in British India are exceedingly important to Indian agriculture both as providing the bulk of the proteids in the diet of a predominantly vegetarian population, and also since their use in rotation provides one of the principal means of maintaining soil fertility. The most important individual pulse is gram which occupied 16½ million acres in British India in 1933-34. Work on the

improvement of this crop is in progress at the Imperial Institute of Agricultural Research, Pusa and the Karnal Botanical substation. In the Central Provinces the area under improved varieties of gram has gone up to 140,000 acres. In Burma systematic arrangements for the multiplication and distribution of wilt-resistant types were continued. The area under these in the West Central Circle alone reached 18,000 acres. The spread of the Burma Butter Bean was checked by the uncertainty of the export demand. In the Punjab progress was made in the control of the gram blight disease.

Cotton. The area under cotton in India in 1933-34 was 23.85 million acres as compared with 22.48 million acres in the previous year. Allowing for the variation due to season, the cotton area has been remarkably steady at this level, since 1930-31 when it dropped from 26 million acres in 1929-30 to 23¾ million acres in 1930-31 consequent on the fall in prices. Production was estimated at 4,970,000, but including cotton baled and loose cotton received in mills, as well as village consumption, the crop undoubtedly totalled 6 million bales. The total area under improved cottons, so far as can be ascertained, was 3.91 million acres or about 17 per cent of the total cotton area but the replacement of inferior varieties in several important tracts has reached a much higher level. Of the above area under improved strains 2,675,000 acres represent long and medium staple cottons, the remaining 1,242,000 acres being short staple varieties of improved yield and ginning percentage. The Indian Central Cotton Committee which derives its funds from a cess of two annas per bale on all cotton exported or used in Indian mills, devoted a sum of Rs. 9,43,000 to the improvement of Indian cotton. Of this sum slightly over Rs. 6 lakhs were devoted to agricultural and technological research, Rs. 1,32,000 to seed extension schemes in the various cotton-growing Provinces and States, and Rs. 2,11,000 on the improvement of cotton marketing, propaganda and the general work of the Committee. Since its incorporation in 1923, the Committee has spent seventy-seven lakhs on the improvement and development of cotton-growing and marketing. It is therefore satisfactory to note that the progress in the establishment of better stapled cottons has been maintained. The new strains of Punjab-American cotton resulting from eight years work by the cotton research botanists, underwent extended field tests at Lyallpur and on large growers' estates. Several of these have given very satisfactory results both in staple and yield per acre, and a final extensive set of trials under culti-

vators' conditions was undertaken in the 1934 cotton season prior to general distribution. In Sind marked progress has been made towards establishing a " one-variety " zone of American cotton in a suitable part of the Barrage area. In Bombay final agreement was reached with the cooperative cotton sale societies as to the type of cotton to be pushed in south Gujerat, and a special seed organization has been arranged for the provision of pure seed. The Baroda State is cooperating in carrying out this policy ; the Rajpipla State already produces this type to the exclusion of all other cottons. In Madras, which is essentially a long-staple cotton Province, marked progress was made with the introduction of the improved Gambodia type Co. 2 and the improved Western cotton Hagari 1 as well as with newer improved types of Karrunganni cotton. Perhaps the most striking feature of the year's work in the Madras Presidency, apart from seed supply, was the administration of the Madras Cotton Control Act in three districts (Tinnevelly, Ramnad and Madura). This Act is designed to maintain the purity of the valuable long-staple Tinnevelly cottons which cover annually some 550,000 acres. It prohibits the cultivation, mixing or sale of the short staple cotton *Pulichai,* which is foreign to those districts, and admixture with which has caused serious loss to Madras cotton growers in the past. In the Central Provinces, the successful organization of the production and marketing of Verum 262 cotton has been continued, the area this year being 89,000 acres. The reconversion of a considerable portion of the Central Provinces and Berar to a staple cotton area providing a cotton suitable for 22s to 24s counts, at least, is a most important advance but special market organization and other measures will be needed for some time to come to ensure that mixing and adulteration do not put a stop to progress. In the United Provinces, work on Pink Bollworm control on a large scale has been repeated with success. A marked feature of the year's work has been the establishment of much more definite organizations in the principal cotton-growing Provinces and States for the production of pure seed of improved types in adequate quantity, and definite plans for the complete elimination of inferior types in definite blocks. The details vary greatly from Province to Province and even from district to district but so far as can be ascertained, the total area under controlled cotton seed multiplication schemes was about 149,000 acres of which 86,000 acres were in the Bombay Presidency, 23,000 acres in Madras and 26,000 acres in the Central Provinces.

This means that pedigree seed can be supplied annually for some two million acres or more.

Jute. The area under jute in 1933-34 was over 2½ million acres and production 8,012,000 bales, compared to 2.1 million acres and 7,097,000 bales in 1932-33. The area sown in 1934 was 2.5 million acres and the estimated production 7,964,000 bales. Though at this level production is far below that of the period 1926-27 to 1930-31, when it ranged from 10 million to 12 million bales, it is adequate for present requirements, and propaganda to maintain the restriction in area and encourage the substitution of other crops has had to be intensified. The area under improved strains was approximately one million acres.

Hemp. Exports of sann-hemp during 1933-34 amounted to 388,000 cwt. as compared to 281,000 cwt. in 1932-33. Experimental work on the improved retting and handling of sann-hemp was continued in the United Provinces and Central Provinces. The first requirement however is better organized marketing a matter which will receive attention in the near future.

Tobacco. The area under this crop in 1933-34 was estimated at 1,183,000 acres with an outturn of 556,000 tons compared to 1,261,000 acres in 1932-33 with a yield of 616,000 tons. The greater part of the tobacco produced is consumed locally but the export trade is of considerable value in the aggregate (90 lakhs this year) and is important to certain districts. Total exports of unmanufactured tobacco increased to 29 million lbs. compared to 21 million lbs. in the previous year. Exports to the United Kingdom amounted to 13.3 million lbs. compared to 9 million in 1932-33. India's share of the United Kingdom's total imports also improved and the statistics for clearances from bond indicate that India fully maintained her position *vis-a-vis* the other countries of the Empire and that the Ottawa preference was of value. The production in India of bright flue-cured tobacco suitable for cigarette making has increased particularly in the Guntur district of Madras. Since the question of producing and flue-curing this type of tobacco was first taken up at Pusa in 1923 some 2,000 flue-curing barns have been installed.

Sugarcane. The area under sugarcane in India in 1933-34 was 3.3 million acres with an estimated out-turn, expressed in terms of *gur* (jaggery), of 4,872,000 tons, as compared with an out-turn of 4,684,000 tons from an almost equal area in 1932-33. The rapid expansion of the

sugar industry which was noted in last year's report as a result of the Sugar Industry (Protection) Act, 1932, continued during the year. Over 453,000 tons of sugar were produced direct from cane in central factories employing modern methods of manufacture as compared with 290,000 tons in 1932-33. In addition some 70,000 tons of sugar were estimated to be refined from *gur* during 1934 as compared to 80,000 tons in 1933. This with a production of about 225,000 tons of *khandsari* sugar during 1933-34 makes a total home production of about 744,000 tons. Some idea of the economic importance of this crop to the cultivator may be gathered from the fact that the cash return to the growers in 1933-34 for cane crushed in modern factories may be put at about 4 crores of rupees. The spread of improved varieties of cane has been rapid now having reached 2,099,000 acres or 63 per cent of the total area, and increased attention to propaganda and demonstration to improve cultural and manurial methods has been given at all research stations. Systematic testing of new seedling canes was carried out at the chain of eleven sugarcane experiment stations which are financed, in whole or part, by the Imperial Council of Agricultural Research.

Oilseeds.

Ground-nuts, linseed, rape and mustard, sesamum and castor which constitute the major oilseed crops occupied 25.3 million acres compared to 24 million acres in 1932-33, the gross out-turn being estimated at 5,346,000 tons. Adding approximate figures for coconuts and 'other' oilseeds, the total oilseeds area in 1933-34 was 28.5 million acres. Exports of oilseeds in 1933-34 amounted to over one million tons compared to 733,000 tons in 1932-33. Exports of ground-nuts and linseed showed a marked improvement. Ground-nut is probably the most important crop in this group. Apart from its export value it is of special use as a rotation crop for cotton and *juar* in helping to maintain soil fertility, while some 2 million to 2½ million tons of ground-nuts are crushed annually for the Indian ground-nut oil industry. Linseed has come into prominence as a result of the Ottawa preference and research work has been intensified.

Research work on soils.

A genetic soil survey is now in progress for the rice soils of the Central Provinces. In Sind an important soil survey has been carried out by the Irrigation Department in connection with the alkali and water-logging problem, and successful experimental work on the reclamation of alkali soils was done in the Punjab and in Sind. The scheme of research on laterite soils financed by the Imperial

Council of Agricultural Research at Dacca University has yielded results of practical value in the management of this type of soil. At the Pusa Research Institute, work on the various aspects of phosphatic manuring on highly calcareous soils was continued. In Madras, Bombay and Hyderabad special attention was devoted to soil moisture, rainfall absorption and the regulation of run-off and soil erosion problems in connection with the dry-farming research scheme financed by the Research Council.

Fertilizers.

The Fertilizer Committee of the Imperial Council of Agricultural Research have considered the results of the examination of past fertilizer experiments in all Provinces and have published a tabulated summary. In most Provinces manurial experiments with paddy on modern lines have now yielded clear and significant results so that definite recommendations can be made to agriculturists. The importance of green-manuring has been further emphasized but also the value of such fertilizers as ammonium sulphate and ammonium phosphate as a supplement to green-manures or to the limited available supply of cattle dung and other organic manures. Bonemeal and ammonium phosphate fertilizers were found profitable on paddy in Burma and in the United Provinces, and the value of ammonium sulphate for sugarcane was further demonstrated. In most Provinces more attention has been given to the demonstration of improved methods of conservation of cattle dung, the preparation of composts and the use of oil-cakes. During the year, the Indore Institute of Plant Industry completed and published the work in progress since 1932 on the sanitary disposal and agricultural utilization of habitation waste including both night soil and refuse. This development of the compositing process, supplies a ready and practical means of preventing the prodigous waste of fertilizing substances which is going on at present.

Improved implements.

Despite the depression, sales of improved implements, mostly small iron ploughs of local manufacture, have been encouraging. In the Punjab there has been much demand for fodder cutters. The economy in fodder and better feeding of the animals is here a greater advantage than the economy in labour though that is by no means inappreciable. A special feature of the year was the supply of 3,250 sugarcane mills and 2,000 *gur*-boiling pans to sugarcane growers in the earthquake-stricken area in Bihar to enable them to convert into *gur*, cane which could not be taken by the damaged factories. The Government of India made a special grant for this

purpose. Several new implements were designed during the year, among which may be mentioned a combined ground-nut lifter and plough which substantially reduces the cost of harvesting the crop ; a new type of Persian wheel in Madras ; a pneumatic-tyred wheel for bullock carts has been tested by all Agricultural Departments and promises materially to assist the rural transport problem especially the cartage of sugarcane to factories.

Demonstration and propaganda.

The demonstration of agricultural implements under cultivators' conditions is an essential part of the work of the Indian Agricultural Departments ; the village demonstration plot on the cultivators' own land is the most effective form of propaganda. During the year under report, much consideration has been given to the possibility of setting up an organization which will enable the greater part of a Province to be covered by such demonstrations in a reasonable time and without incurring prohibitive expenditure. Such organization is the more urgent in that in most Provinces the Agricultural Departments have, for many areas at least, a whole body of improved practice ready for demonstration and not merely individual improvements. In Madras, the policy was to concentrate departmental demonstrations in selected centres, and the special attention given in recent years to improved methods of cultivation and manuring, have now borne fruit. In the United Provinces, a special better farming campaign was conducted in the Sarda Canal area. Agricultural shows, and propaganda by means of demonstration carts equipped with exhibits of improved seeds, magic lantern and gramophone, as well as implements and trained ploughmen, carrying out demonstrations in the villages, have played an important part in the campaign of improvement. In the Punjab and in the Central Provinces there was a further intensification of propaganda and periodical demonstration work.

Agricultural education.

Financial stringency again prevented progress being made with the schemes for an agricultural college at Patna and for an agricultural institute at Dacca, while the Burma Agricultural College was closed throughout the year as a measure of retrenchment, and until recruitment for the Agricultural Department is resumed. Ninety-three candidates appeared before the Selection Committee for admission to the Coimbatore Agricultural College and 40 students were finally admitted. The Patna Agricultural College celebrated its silver jubilee in August 1933, and the number of new students admitted during the year was 60 compared to 45 last year. An employ-

ment bureau has been started to assist graduates of the college to obtain suitable employment. The Cawnpore Agricultural College which has a total number of 161 students, admitted 61 out of 95 applicants. In the United Provinces there were also agricultural schools at Bulandshahr and Gorakhpur at which a two-year diploma course is given. The total number of pupils in the two schools was 126. The Punjab Agricultural College at Lyallpur had 157 students taking the four-year degree course, 60 taking other long courses and 161 attending short courses on special subjects, such as fruit-growing, fruit-preservation, and a special blacksmiths' course in implement-making and repair, etc. The Central Provinces Agricultural College at Nagpur had 118 students on the roll at the commencement of the year, and admitted 37 new students to the degree course at Nagpur University.

Imperial Council of Agricultural Research.

The constitution and aims of the Council have been referred to in previous reports. Since last year three more Indian States, namely, Travancore, Cochin and Bhopal have joined the Council as constituent States. The Council's annual research grant from the Government of India which was suspended during the retrenchment campaign of 1931-32, has not yet been restored but, as in the previous year, a supplementary grant of Rs. 5 lacs was made at the end of the year. This enabled several important new schemes to be started. A special grant was also made to the Council for sugar research. Including schemes sanctioned during 1933-34, the Council budgetted for expenditure of Rs. 16 lacs on 77 schemes of work during 1934-35, some of the expenditure being non-recurring. All provincial reports show that the Council's grants have done much to enable agricultural research to be maintained and somewhat extended during a period of financial stringency, by supplementing provincial effort, enabling gaps to be filled and encouraging co-ordination of effort. The Council continued to provide for research, under its own direct control, on sugar technology and on the biology and ecology of the Desert Locust (with special reference to permanent and semi-permament breeding grounds within Indian limits); it also maintained a statistical section which renders assistance to agricultural experimentalists throughout India in the planning of field experiments and the statistical interpretation of the results of these and other agricultural experiments. It continued the grants to the Karnal Botanical and Sugarcane substations of the Imperial Institute of Agricultural Research and to the Agricultural Meteorology Branch

of the Indian Meteorological Department. Reference has already been made to the Council's grants for rice research by the aid of which experiment stations were maintained in the principal rice growing Provinces of India and in Burma. The Council's grants for fruit research have led to the establishment of experiment stations in Madras, in the United Provinces, in Bihar and in Bengal. In the Bombay Presidency the Council is financing important investigations on the conditions under which the principal Indian fruits can best be stored and transported. Several schemes of research on indigenous citrus fruits have been sanctioned during the year and are now awaiting funds. The development of fruit-growing in India has attracted considerable attention during the last two years as a means of bringing more money into the village. Research and technical improvements are proceeding simultaneously with a marketing survey since it is essential that the development of fruit production should be accompanied by developments in marketing and transport. Among new schemes which came into actual operation during the year may be mentioned investigations at the Indian Institute of Science, Bangalore, on the factors determining quality in crops and on the preparation of cheap manures from town refuse and waste materials ; a potato-breeding station for the production of new varieties from seedlings at Nanjanad in the Nilgris; the technology of vegetable oils at the Harcourt Butler Technological Institute, Cawnpore; research on sugarcane genetics and cytology at Coimbatore. The Sugar, Locust Research, Oil-crushing industry and Fertilizers Committees of the Council continued their work, and standing Committees on Animal Nutrition, Cattle-breeding and Dairying were set up during the year. An officer was appointed to conduct a special enquiry into the position of the Indian coconut industry and the supply of coconut products, and the report was submitted after the close of the year.

The Research Council continued to publish three journals, the " Indian Journal of Veterinary Science and Animal Husbandry ", the " Indian Journal of Agricultural Science and Agriculture ", and " Livestock in India ", and also issued a series of scientific occasional monographs on specific subjects.

A serious dislocation of agricultural research in India occurred during the year through the destruction of the main central research laboratory at Pusa and serious damage to other buildings on the estate by the earthquake of January 1934. After most careful considera-

tion, the Government of India decided that, as heavy capital expenditure had in any case to be incurred, the opportunity should be taken of transferring the Institute to a more central site near New Delhi. The proposal has been approved by the Central Legislature and work on the new site has started. The establishment of the new Institute at Delhi in well equipped modern laboratories on an easily accessible site, should do much to increase the value of the Institute to the country and in particular to establish that close liaison with provincial Agricutural Departments and research institutions, and the Indian Universities which is so essential but which the isolation of Pusa rendered difficult.

Two legislative measures of great importance to cane cultivation and the sugar industry were introduced at the close of the year and became law during 1934. By the Sugar Excise Duty Act sugar made in modern factories became liable to an excise duty of Rs. 1-5-0 per cwt. and *khandsari* sugar to a duty of 10 annas per cwt. The effect of this revenue measure is to reduce the protection enjoyed by the sugar industry to the level recommended by the Tariff Board, the excise duty off-setting the revenue surcharge of Rs. 1-13-0 per cwt. on imports after allowing for the deferred duty recommended by the Board. The Sugarcane Act, 1934, enables local Governments to fix minimum prices for sugarcane sold to factories and to make rules regarding weighments and cognate matters and to license cane contractors. The Act was brought into operation in the whole of the United Provinces and in North Bihar, the minimum prices for cane being fixed according to a sliding scale depending on the price of sugar.. The securing to the cultivator of a fair price for his cane, and an assurance of fair treatment in the matter of weighments, should do much to stabilise cane cultivation and encourage a higher standard of manuring and tillage. At the time when these two Acts were under discussion, the Government of India undertook to set aside annually a sum approximately equal to one anna per cwt. of the sugar excise, for distribution to the sugarcane growing Provinces. The money is to be expended on approved schemes for the organization of sugarcane producers into sugarcane supply associations, and other measures designed to secure the better organization of cane-supplies to factories and the payment of adequate prices to the grower.

Veterinary activities. Research.

Further progress has been made during the year in the field application of the method of control of rinderpest by means of

vaccination with goat's blood or tissue virus which was mentioned last year. Large numbers of animals have been vaccinated by these methods in various Provinces and States and the results continue to be highly satisfactory. The necessary vaccine can be prepared in provincial laboratories and enables an immunity of a permanent nature to be conferred at very low cost. Progress has also been made at the Muktesar Institute in the control of equine abortion, and a Black Quarter vaccine which is proving very satisfactory is now being supplied in place of the aggressin formerly used. Research was continued at this Institute on Pasteurellosis and a tentative conclusion was reached as to the causation of blindness of calves in certain districts in India which was mentioned last year. Evidence was also obtained during the year of the prevalence in various parts of India of bone disease of nutritional origin both in cattle and horses, and the availability of disease investigation officers has enabled the causal factor of a fatal disease due to trypanosomiasis among bovines in various parts of India, and of other previously obscure diseases to be accurately determined. On the other hand, intensive research carried on at the Muktesar Institute to discover a satisfactory method of treating Theilerissis of cattle in this country has so far not lead to the discovery of a satisfactory remedy. The transmission of Piroplasma gibsoni to healthy dogs in India by the agency of Rhipicephalus sanguineus was recorded during the year and work was continued at this Institute to improve the available methods of diagnosis of Johnes' disease and to endeavour to produce a satisfactory vaccine. Research was also undertaken at this Institute on the classification of strains of B. tuberculosis recovered from human, bovine and avian cases and cases of clinical Kumri were obtained for the purpose of making a complete study of post mortem material from such cases. The finding of Habronema worms in Bursati recorded last year was confirmed in all cases examined and one case of internal Bursati, of the lungs, was recorded. Among other diseases, that commonly known as Lichen Tropicus in horses, equine paraplezia and Enzootic Bovine Hæmaturia were studied, and helminthic studies were made in relation to the disease known as Pitto and Garro amongst sheep and goats and on schistosomiasis in the pig. Worms of new species were discovered and S. Japonicum was for the first time recorded in India. Research carried out at the Madras Veterinary College has thrown further light on the causation of schistosomiasis and other parasatic diseases of domesticated animals,

and field investigations carried out by the Disease Investigation Officer, Assam, have now determined the cause of hump sore in cattle, an almost ubiquitous disease of cattle in Assam and the more humid parts of Bengal and a mass of valuable information as to the prevalence and local incidence of diseases of various kinds has been obtained by these officers.

Livestock Improvement.

Livestock improvement work was continued in most Provinces and States though on an even more restricted scale than formerly, due to reductions of funds which were made during the period of financial stringency. The number of stud animals provided is still generally too small to have any marked effect on the livestock of the country. The vast numbers of domesticated animals in India represent a great potential source of wealth to cultivators throughout the country, and little is being done in comparison to the need, for a systematic improvement of stock of all kinds and development of markets for livestock and their products. Some advance has, however, been made in certain directions, and highly successful results have been obtained in the building up of pure-bred herds of Indian dairy cattle. It has also been demonstrated by work carried out at the Imperial Institute of Agricultural Research, Pusa, that by systematic handling and milking of heifers prior to calving, on the lines which have already been tested in other countries, heifers of Indian dairy breeds can without difficulty be induced to give their milk freely from the start. They thus give a higher initial yield than under the usual indigenous system of milking under which Indian heifers and cows would usually not give their milk freely except in the presence of the calf.

Veterinary education.

Veterinary education at the five Veterinary Colleges in India was carried on on the same lines as during last year and in Burma the former school at Insein was reopened as a veterinary college, for courses of training of one year's duration. At the Punjab Veterinary College a four-year course is still given, but at the other four colleges the duration of the training is still restricted to three years. It is now generally recognized in other countries that it is not possible to give a full course of veterinary education within such a short period of training, and a five-year course of study has become universal. Moreover, under the veterinary conventions which are now under consideration, qualification of the standard given at these colleges is not such as will be accepted by foreign countries for certification in relation to export of cattle and animal products to

Europe and other countries. Consequently in order that India may be in a position to enter world markets in these matters, it is necessary that arrangements should be made to provide for a steady supply of a number of fully trained veterinarians in India, either by raising the standard of training at Indian Veterinary Colleges to a level which would be accepted for this purpose in other countries, or by making provision for the training of a number of Indian students abroad up to the full M. R. C. V. S. or equivalent standard of veterinary education. Some advance in veterinary training in India has been made by increased attention to the subjects of Bacteriology and Helminthology, which in view of the much greater importance of these subjects in India than in more advanced countries were in some cases very inadequately dealt with. More attention to animal husbandry is also being given in the new curricula and is a matter of great importance in India.

Forests.

The range and importance of the problems connected with the administration of India's vast forest areas covering 2,82,664 square miles of which 63.4 per cent was under working plans or roughly ¼ of the whole of British India have been discussed at length in previous reports, and it is sufficient to preface the review for 1933-34 by emphasizing that the essential problem consists in maintaining a balance between preservation and exploitation. Proper conservation has a far-reaching value in the sense that forests have an acknowledged influence on the character of the climate, the extent and distribution of rainfall, and the depth and quality of the soil ; and it has a more immediate purpose in serving to maintain the source of revenue provided by the sale of forest products, which in addition to timbers include subsidiary products such as bamboo, lac, tanning materials, oils, turpentine and rosin. In the year 1929-30, the net profit derived from the country's forests was as much as Rs. 2.50 crores. Then came the world-wide trade depression, and the net profit from forest revenues fell as low as Rs. 80.59 lakhs in 1932-33, and in 1933-34, in spite of rigid economy, the profit was only Rs. 77.53 lakhs, or one-third of the figure of 1929-30. Of this sum Rs. 23.12 lakhs was earned by Burma, which enjoys a predominant share in the teak trade of the world, though the marked decline in this trade is clearly shown by the fact that Burma earned a surplus of Rs. 1.25 crores in 1929-30. The value of India's forests, however, is not to be measured only in terms of net profits. A very large proportion of the forest area is protection forest maintained for the

protection of hill slopes and water catchment areas and from which very little revenue can be expected. Moreover, extensive free rights are enjoyed by right-holders and forest villagers in building-timber, fuel, grazing, grass-cutting, bamboos and minor forest produce the nominal value of which is given at Rs. 66.60 lakhs. Concessions during 1933-34 provided for the free grazing of $4\frac{3}{4}$ million head of cattle and the free distribution of $4\frac{1}{3}$ million cubic feet of timber and 61 million cubic feet of fuel, the value of which does not appear in the budget of the Forest Department. The value of imports of timber into British India during the calendar years 1933 and 1934 was Rs. 15,75,562 and Rs. 15,15,918 respectively whereas the exports of forest produce during the financial year 1933-34 were valued at Rs. 4,42,78,526.

Efforts to combat the effects of trade depression.

The effects of the general economic depression necessitating the maintenance of rigid economy have already been noted. In another direction efforts have been made to meet the trade depression by the creation of new markets for the lesser known local timbers. For detailed descriptions of these activities the reader is referred to the various provincial reports, but a brief summary here may be of interest. *Ping* (*Cynometra polyandra*) has been tried for vibratory screens in the Assam Oil Company's wells at Digboi as a substitute for imported hickory and is reported to be doing well. *Michelia champaca* is in demand for furniture for which it has been found eminently suitable. Efforts in Bihar and Orissa have resulted in finding new markets for *semul* (*Bombax malabaricum*), *salai* (*Boswellia serrata*), *tilai* (*Sterculia urens*) and other species for slate frames. In Burma a scheme was suggested for regulating the supply of Burma matchwoods by the factory demand, thereby improving the supply and increasing the revenue. In order to strengthen teak against increasing competition by substitutes other than wood, the possibility of evolving a system of standard grading for teak was discussed with the teak firms and officers of the Forest Research Institute and the Railway Board, and increased use of South Indian teak by the railway for carriage and waggon work is reported by Madras. There was a slight improvement in the timber market during the year under review, the demand in the main being for teak, rosewood, irul, laurel, benteak and other hardwoods. In the Central Provinces and Burma the yield of lac and revenue derived therefrom increased considerably, but this trade is subject to great

fluctuations. Attention has also been directed to developing markets for Madras lac and shellac.

Preservation of wild life.

A feature of the year under review has been the whole-hearted support that the movement for the preservation of wild life has received from certain local Governments, private associations and prominent public men. Detailed proposals for radically modifying the existing shooting rules and the game laws have been submitted by the Forest Departments in Madras and the United Provinces to their respective Governments. In the latter Province a Bill to create a National Park to serve as a sanctuary for wild animals has been introduced in the local Legislature.

Forestry education.

The Forest Rangers' College was closed when the 1930-32 class of 19 students completed their course on 31st October 1932, and there was no class in training during the year under review. A fresh selection of candidates will be made for the 1935-37 course which will commence in April 1935. The reopening of the Forest College at Dehra Dun is a most welcome sign of returning prosperity. It is hoped that it will shortly be possible to consider new recruitment to the upper grades of the service. This will necessitate the revival of the training of candidates for the Class 1 forest services which had to be discontinued in 1932 owing to the declining demands of Provinces for trained staff.

Research. Dehra Dun.

Research work at the Forest Research Institute at Dehra Dun has been carried out in close cooperation with the various Provinces and in accordance with the sanctioned triennial programme. The day to day enquiries continue to increase and it has been necessary to confine investigations to matters of real scientific interest or to matters which give some promise of being of economic importance. In the Silvicultural branch, useful progress can be reported in all sections. The Silviculturist published several records of great value on such subjects as measurement of standing sample trees by a light sectional ladder and a swing seat, stand table for sal, and multiple yield tables for deodar. The results of the joint survey of management and regeneration problems for *Shorea robusta* (sal) were published in an illustrated " Record " and many of the recommendations have already been taken up in the Provinces concerned. In the Botany branch the species on the Bengal linear sample plots were further investigated and the study of the Dipterocarpaceae is being continued, as well as investigations on fungi. A paper on *Peridermium himalayense,* the result of several years investigations on the

Indian Peridermiums was published. In the Entomological branch 287 new insect species were added to the Institute collection which now comprises 13,587 species. A technique was evolved for tests of natural resistance, preservative efficiency, and durability of timbers exposed to termite attack and general measures for the control of termites in forests were published as a *Forest Record.* In the Economic branch a considerable amount of very useful research work was accomplished, in particular the new kiln-seasoning process is worthy of mention. This new method of seasoning not only greatly reduces the consumption of steam and electricity, but shortens considerably the seasoning period, while at the same time producing seasoned wood of a very high quality. Another important feature of the year's working is the " fixation " of copper in conjunction with arsenic in wood for preservative purposes. If the new process, known as the Ascu process evolved by Mr. Kamesan of the Wood Preservation section, fulfils all the claims made for it, the cost of wood preservation will be greatly reduced while the preservation of the wood should be improved. The Wood Technologist completed work in connection with the preparation of a hand lens key for the identification of the important commercial timbers of the Punjab which will prove useful to all interested in the timber trade. In the Paper Pulp section, experiments regarding preparation of pulp for artificial silk were continued and the methods which gave these results will be carried out on a semi-commercial scale next year. The Institute also took part this year in the All-India Industrial Exhibition which was held in February-March 1934, and thus brought to the notice of the public the fact that they could always apply to the Institute for information and advice on all forest matters. The work in the Chemistry branch was chiefly confined to the general study of the chemistry and commercial uses of minor forest products. A co-operative study of the semi-commercial cultivation of certain minor forest products chiefly medicinal plants has been started.

The Provinces.

The future of forest finance is largely dependent on improved silvicultural technique in the regeneration and treatment of forest crops and problems of insect and fungoid attacks. In most of the Provinces research was continued in developing the technique of artificial regeneration by stump planting of various species. In particular teak, *Dipterocarpus turbinatus, Santalum album* and walnut, as well as planting by means of taungya cultivation which materially reduces the cost of establishing new crops. Considerable success has

been obtained in taungya work in the United Provinces. In Bombay growth increment data for Bombax has determined the economic exploitable age at 30 years. In the Central Provinces investigation on the effect of various closure cycles and grazing incidence on forest pastures were continued. In the North-West Frontier Province progress in natural regeneration of blue pine has been shown to be dependent on a reduction of the depth of the unfavourable 'A' horizon of the soil. In the Punjab, natural regeneration of spruce and silver fir received much attention but so far few definite results have been obtained. Detailed technique for the propagation of *Tamarix articulata* from seed has also been worked out to a successful end.

Irrigation.

The progress of irrigation in India particularly during the last 50 years has been rapid and impressive and may justly be claimed as one of the most admirable of all the achievements of the British Administration. Fifty years ago land irrigated by Government works was already 10½ million acres ; during the year 1932-33,—the latest period for which detailed statistics are available,—the total acreage in British India alone was over 29¾ million acres and represented 12.5 per cent of the area sown. The length of the main and branch canals and distributaries in use amounted to about 75,000 miles, and the estimated value of crops supplied with water from Government works was Rs. 87 crores. The Province with the largest irrigated area was the Punjab, where the total acreage amounted to just over 10½ million acres; moreover a further 1.9 million acres were irrigated from channels which, although drawing their supplies from British canals, lie wholly in Indian States. Next came the Madras Presidency, with an area of 7,443,000 acres irrigated ; the United Provinces with 3,941,000 acres ; and Sind with 3,657,000 acres. The total capital outlay on irrigation and navigation works, including works under construction, amounted at the end of the year 1932-33 to Rs. 146 crores. The gross revenue was Rs. 12.5 crores, and the working expenses Rs. 4.7 crores, the net return on capital being 5.35 per cent.

The Lloyd Barrage.

The year 1933-34 was the second year of working of the Lloyd Barrage canals and the results obtained were generally satisfactory. The total area irrigated was 27,70,000 acres, of which 15,70,000 acres were in *kharif* and 12,00,000 in *rabi*. The acreages under wheat and cotton were 10,00,000 and 5,67,000 respectively. The canals cons-

truction scheme has been almost completed, and the revenue account of the scheme was opened with effect from the financial year 1932-33.

The construction work carried out during 1933-34 chiefly consisted of the remodelling of the old channels, the excavation of the main and branch water courses, and the construction of modules and hume pipe culverts. Many new masonry works were constructed and additions and alterations were carried out to the existing structures, where such works were found to be necessary. A few additional regulators were sanctioned and constructed, and weak portions of the banks of the canals were strengthened. Satisfactory progress was made with the enlarged and comprehensive Flood Protective Bund Scheme which according to the accelerated programme is to be completed in the financial year 1934-35. The work of raising the Bund to its full section in miles 0 to 39.6, and constructing the new Bund from miles 39.6 to 97.9 was in progress, and the total earth work completed up to and including the year under reference amounted to 10 crores cubic feet.

Investigations continued in connection with water-logging in the Begari Canal system and in the Khairpur State due to the rise in the subsoil water tables following on the introduction of irrigation, while a number of surface drains in the water-logged areas were excavated.

Industry.

We propose now to deal with Industry. According to the census of 1931 the proportion of the working population of India engaged in agriculture is 66.4 per cent and of that engaged in industry (excluding transport work) is roughly 10 per cent. But this proportion though small means that more than 15 million people are engaged in some form of industrial pursuit and the number shows a tendency to rise. For this reason India has been listed by the International Labour Organization as one of the eight most important industrial States in the world.

Action on the Labour Commission's report.

A brief summary of the recommendations of the Royal Commission on Labour, which were published in July 1931, has been given in previous issues of this report. Progress was maintained during the year under review in implementing these recommendations. The Workmen's Compensation (Amendment) Act and the Land Acquisition (Amendment) Act were passed during the year. One of the most important legislative measures undertaken as a result of the recommendations of the Royal Commission on Labour is the revision of the Indian Factories Act, 1911. A Bill was intro-

duced in the Legislative Assembly in September 1933 and circulated for opinion. The Bill was reported upon by the Select Committee in February 1934. Mention was made last year of the Bill to regulate the prompt payment of wages and deductions therefrom, which was circulated for eliciting opinion thereon. The opinions received pointed to the necessity of making considerable changes in the Bill, which has therefore been allowed to lapse and it is proposed to introduce a fresh Bill on the subject in due course. As the result of the examination of the views of local Governments on the subject of making the besetting of an industrial establishment for the purpose of the collection of debts from workmen, a cognizable offence, the idea of All-India legislation has been abandoned. It was, however, suggested to the Government of Bengal that provincial legislation applicable in the first instance to specified industrial areas of the Presidency, might be undertaken. On the question of the exemption from attachment of wages and salaries of workmen receiving less than Rs. 300 a month, which was referred to in last year's report, it has been decided to introduce a Bill in the Legislative Assembly to amend Section 60 of the Civil Procedure Code so as to protect salaries and wages not exceeding Rs. 100 a month. The views of local Governments and of those interested in the question of abolition of arrest and imprisonment for debt of industrial workers, have been received and are under consideration. The possibility of undertaking legislation on an experimental scale, restricted to the Province of Delhi in the first instance to provide for a summary procedure for the liquidation of workers' unsecured debts is also under examination.

The Factories' Act.

Turning now to the ordinary administrative features of industry during the year under review the latest report of the working of the Factories' Act covers the year 1933. The total number of registered factories increased to 9,558 as compared with 9,431 in 1932. A notable feature of the year was the decline of Bombay city as the chief centre of the textile industry and the expansion of that industry in Ahmedabad where several new mills were opened. Among new enterprises of the year the sugar industry again claimed a leading place. Thirty new sugar factories were registered in the United Provinces and ten in Bihar and Orissa. The total number of sugar factories in all Provinces has increased from 166 to 213. There was a further decline of 16,499 in the factory population, the average daily number of operatives being 1,403,212 as against 1,419,711 for 1932. The most marked decreases occurred in Bombay and

Burma, but there were notable increases in Madras, in the United Provinces and in Bihar and Orissa, due partly to improved trade conditions and partly to the establishment of new factories, principally sugar factories which gave employment to over 15,000 additional workers. Accidents were more numerous than in the previous year and totalled 18,709. The development of new industries in Bombay and the sudden expansion in the United Provinces of sugar factories using heavy machinery and employing untrained labour appear to have added to the number of accidents, while improvements in the system of reporting has also contributed to increase the percentage. As regards working conditions in factories there has been satisfactory progress in the adoption of safety measures and establishment of safety Committees. Owing to the continued trade depression there has been no marked progress in welfare work, but some advance has been made in the provision of housing accommodation. The total number of convictions during the year for offences under the Indian Factories Act was 1,325 as compared with 906 in 1932.

Workmen's Compensation Act.

The number of cases falling within the purview of the Workmen's Compensation Act so far as workers in factories, mines, railways, docks and tramways were concerned, increased from 14,261 in 1932 to 14,559 in 1933, while the figure for compensation paid, which totalled Rs. 8,13,949, is the lowest on record since 1925. The total number of workmen covered by the Act must have been smaller than in some recent years and with a diminished demand for labour it is probable that the general level of industrial experience rises. There is still a tendency for small employers, who are reluctant to insure their liability under the Act, to contest cases on inadequate grounds, and the difficulty is likely to increase as a result of the extended definition of the term " workman " introduced by the Amending Act of 1933.

Trades Unions.

The number of registered Trade Unions has risen from 29 in 1928 to 131 in 1932 and 170 in 1933. The growth of the movement has therefore been sustained, though these figures do not accurately reflect the extent of trade unionism in India. Registration under the Act is not compulsory and the number of unregistered bodies is large ; in Bombay out of 108 unions with a membership of 117,558 only 51 unions with a membership of 70,464 were registered. In the year under review the number of unions increased in all Provinces and Administrations where unions exist, except in Ajmer-Merwara, Burma

and the United Provinces. The total income of registered unions rose from Rs. 478,265 to Rs. 556,953 and the balances in hand from Rs. 546,690 to Rs. 561,024. Organization among women workers showed some advance, the number of women included in the membership of registered unions having increased from 3,454 to 5,090.

Strikes.

The total number of strikes in 1933 was 146 and the total number of workers involved was 164,938 as compared with 118 strikes involving 128,099 workers in 1932. The number of working days lost during the year was 2,168,961 as compared with 1,922,437 during 1932. The year was free from strikes of serious magnitude. The largest strike contributing to the returns was that in the Madras and Southern Mahratta Railway workshops at Perambur, Arkonam and Hubli, which affected 8,000 workers and involved a total loss of about 490,000 days. The strike ended in January 1933 and chiefly effected the figures of the preceding year. In 97 of the strikes, or 66 per cent, the chief demand related to wages or bonuses. The number of strikes in which the workmen were successful in gaining any concessions was approximately 31 per cent of the total number of strikes ended during the year.

International Labour Organization.

Mention was made last year of the resolution adopted by the Council of State recommending to the Governor-General in Council that he should not ratify the Draft Convention or accept the recommendation concerning the age for admission of children to non-industrial employment. A similar resolution was adopted by the Legislative Assembly on the 20th September 1933. At its seventeenth session held at Geneva in June 1933, the International Labour Conference adopted six Draft Conventions and two Recommendations concerning Invalidity, Old-age and Widows' and Orphans' Insurance for persons employed in industrial, commercial and agricultural undertakings. The Conference also adopted a Draft Convention and a Recommendation concerning fee-charging employment agencies. The Draft Conventions and Recommendations were placed before the Legislative Assembly on the 23rd November 1933 and before the Council of State on the 14th December 1933. Both the Houses adopted resolutions in identical terms recommending to the Governor-General in Council that he should not ratify the Draft Conventions nor accept the Recommendations.

Industries Conference.

During the period under review the fifth Conference of the Departments of Industries was held after a lapse of eleven years. It was attended by the Ministers in charge of Industries and the

Directors of Industries from all Provinces except Burma and the North-West Frontier Province, and some of the important Indian States participated in it. The Conference, which was opened by His Excellency the Viceroy, discussed among other important questions proposals for the development of cottage industries and marketing of products with particular reference to the handloom industry, and the co-ordination of industrial research.

Indian Stores Department.

The value of stores purchased during the year 1933-34 amounted to Rs. 3,59,94,135 as against Rs. 3,30,90,903 during the preceding year. The various Railway Administrations contributed Rs. 23,28,230 of the increase. The textile purchases and the value of orders placed for engineering and miscellaneous stores also showed substantial increases. The value of stores inspected by the various organizations under the department during the year amounted to Rs. 4,46,65,447 as against Rs. 3,54,07,609 during the preceding year. In addition to this, rails, fishplates, castings, pipes and other steel products aggregating 254,833 tons were inspected as against 156,203 tons inspected during the year 1932-33. The total number of tests, analyses and investigations carried out at the Government Test House, Alipore, and at the Metallurgical Inspectorate, Jamshedpur, amounted to 46,765 as against 34,817 during the year 1932-33.

CHAPTER V.

Communications.

We propose in this Chapter to deal with the year's administration of India's railway system, her posts and telegraphs, roads, wireless stations and air services.

Scope of Chapter.

Previous reports have shown the retrenchments effected year by year by the railways since traffic began to drop; steady reduction in working expenses had reached a point when major retrenchments had all been effected, to the extent that reductions represented merely a postponement of expenditure, which it would be unwise and unsafe to postpone longer. During the year 1933-34, therefore, there were no block retrenchments of any magnitude though minor measures for effecting economy in connection with detailed "job-analysis" investigations were conducted.

Railways. General administration.

A review of the financial position of the railways will be found in Chapter VII; here questions of general administration only will be considered. During the year the Railway Board had under consideration the rules relating to the discharge and dismissal of State Railway non-gazetted Government servants, and decided to extend the right of appeal against discharge from service in respect of certain classes of labourers and temporary non-gazetted employees with less than 3 years' service. The Board have also under consideration certain proposals for the amendment of these rules in connection with the recommendations of the Royal Commission on Labour in India.

The question of the statutory application, to the Company-managed and Burma Railways, of the rules framed under the Indian Railways (Amendment) Act, 1930, regulating the hours of employment of railway service in pursuance of the Washington and Geneva Convention, again occupied the attention of the Railway Board, and the Agents of the Madras and Southern Mahratta and Bombay, Baroda and Central India Railways have been asked to submit, together with their views on the subject, detailed estimates of the cost, which would be involved under present conditions of traffic, if the regulations are introduced on the systems from April 1935.

The Railway Board also came to certain provisional conclusions on the few remaining recommendations hitherto unsettled, of the Royal Commission on Labour which reported in 1931. These conclusions were referred to the Agents of principal railways for their views. The recommendations of the Agents of Railways are under consideration.

As regards Indianization of the superior branches of the railway services, there were no new appointments in the gazetted ranks on State-managed railways, partly for financial reasons, and due to a surplus of officers in consequence of retrenchment of posts. Of the 27 appointments made in the superior service on Company-managed railways, 16 went to Indians and 11 to Europeans. The ratio of Indian to European recruitment was 59.3 to 40.7. The position as regards Indianization of superior services on these railways was reviewed during the current year, and administrations concerned were advised of the desirability of advancing the ratio of Indian recruitment to 75 per cent of the total vacancies.

Mention was made in previous reports of the question of adequate representation of minority communities in the railway services, and that the reports of the special officer appointed to study the subject, had been considered by the Railway Board. Government have issued orders on some of the proposals of the Board in this connection, and also with regard to reservation of a certain percentage of direct appointments for members of minority communities ; in addition the rules for recruitment and training of apprentice mechanics and trade apprentices in State-managed railways were amended, to make provision for the redress of communal inequalities.

Consequent on the closing of the Railway Staff College, Dehra Dun, as a measure of economy, the Board have asked State-managed railway administrations to prepare a programme of lectures, designed to provide theoretical training for probationery officers. As a further measure of economy the East Indian Railway training school at Asansol was closed in October 1933 and the training classes absorbed in other railway schools.

Constructional work.

The year was marred by a series of disasters, the chief of which were the Bihar earthquake in January 1934, involving two railways in heavy reconstruction charges, and the floods in the Ganges in

September 1933, which breached the protection works of the Hardinge Bridge on the Eastern Bengal Railway. The cost of the works required as a result of this damage is estimated at about Rs. 1,16 lakhs.

An important issue which has recently been gaining prominence, and which culminated during the year in the Road-Rail Conference, is the growing competition to railways from road motor services. A further reference to this subject will be found later in this Chapter. The results of the deliberations, however, have an important bearing on constructional development. No new line construction was undertaken during the year, but it was decided to re-examine the traffic possibilities of several projects previously considered remunerative, with special reference to road service competition and, with a similar object of co-ordinating the rail and road requirements of a particular locality, an expert enquiry into the communications required in the Nira Valley area, Bombay Presidency, was undertaken by a Railway officer working in collaboration with an officer of the Irrigation Department. A new section of about four miles of line was completed on the Burma Railways, and this includes a new bridge over the Irrawady connecting the two main sections of the Burma Railways, hitherto linked by only a ferry service. Among other urgent works in hand are the reconstruction of the Sind and Chambal Bridges on the Great Indian Peninsula Railway, and of the North-Western Railway bridge over the Jumna at Delhi.

Local Advisory Committees.

The various local railway Advisory Committees held 103 meetings during the year, and discussed a variety of matters of interest to the general travelling public, including provision of separate booking office windows for women, improvements in the design of lower class carriages, and facilities for the transport of fruit. Particulars of the subjects discussed and the action which the railway administrations concerned decided to take, are published in pamphlets issued quarterly by the Railway Board.

The Railway Rates Advisory Committee.

The Railway Rates Advisory Committee whose sittings had been temporarily suspended in December 1932, after the death of its first President, recommenced work in May 1933 on the appointment as President of Sir Zahid Suhrawardy. During the year under review four cases were referred to it for investigation. The first was a complaint from a Nagpur firm alleging certain preferential rates for

firewood quoted by the Bengal Nagpur Railway. Another complaint alleged undue preference accorded to the Delhi Cotton Mills, by rates on the East Indian Railway for cotton full-pressed as compared with unpressed cotton. A third complaint related to the rates charged for coal from certain collieries in the Korea coal fields; while a fourth complaint had reference to rates charged for rice from some stations on the East Indian Railway. These cases and three others, which had been referred to the Committee previously, were still under enquiry at the end of the year. In addition the Committee reported on two cases referred to them in 1932-33, and the Government of India accepted their recommendations. The first was for a reduction in the rates for manganese ore from certain stations on the Bengal Nagpur Railway to Bombay, and the second proposed a reduction in the rates for flour on the East Indian Railway, for distances exceeding 600 miles. Four other representations were received by the Railway Board for a reference to be made to the Railway Rates Advisory Committee, they were not however, referred during the year, either because the matter was already under consideration, or because no *prima facie* case for investigation by the Committee existed.

Alterations in rates and fares.

There was no general revision of either passenger or goods rates over the railway systems as a whole, though some local changes were introduced on individual railways. Thus the Great Indian Peninsula Railway made a reduction in first class fares on the suburban section, and the North-Western Railway revised 3rd class fares, making an appreciable reduction for distances up to 300 miles and a slight enhancement for distances over 300 miles. Several railways quoted special rates for fruit carried by passenger train. Similarly some alterations were made in goods traffic rates designed to assist industries, encourage the movement of traffic or meet competition by alternative means of transport.

The Central Publicity Bureau.

It is perhaps disappointing that the increased publicity given to Indian affairs in general overseas, has not attracted a larger number of visitors from abroad, curious to see for themselves a land which gives rise to so many conflicting opinions. Although there is some improvement in the tourist traffic to India generally from Europe and America, actually during the year under review as regards the railways, a decrease in the so-called "luxury traffic"

has been noted. Against this there was an increase of 46.5 per cent over the figures of the previous year in " Inland tourist car traffic ". Of special interest during the past year was the visit of the " Gripsholm ", a world-cruise ship run by the Swedish-American Line for the particular benefit of Swedes, Norwegians and Danes. It is believed, that advertising on the Continent by the Indian State Railways materially contributed to the organization of this cruise. Including the " Gripsholm ", three " World Cruise " ships visited India as against two in 1932-33. Indian railways were represented at the British Industries Fair, 1934, and at the Advertising and Marketing Exhibition held at Olympia during 1933, and in America valuable publicity was afforded to them at the Century of Progress Exhibition at Chicago (1933). In India the Bureau continued its activities with marked success in regard to fostering pilgrim traffic to places of religious importance.

Purchases and Stores.

During the year under review 40 locomotives, 510 coaching underframes and 3,434 goods wagons for broad and metre gauge lines, were on order for Indian State-owned railways. The value of stores obtained by railways through the Indian Stores Department rose from Rs. 1,52.77 lakhs during the previous year to Rs. 1,76.06 lakhs during the year under review, and a large number of items were added to the list of articles which State-managed railways are required to purchase through this department.

Accidents.

Twelve serious accidents occurred during the year as compared with 11 in the previous year, one of which was due to deliberate mischief. On the 2nd May 1933, the Punjab mail was derailed due to malicious interference with the track, 5 persons were killed and 13 injured, and considerable damage was done to rolling stock and the permanent way. Of the remaining 11 accidents, 7 were mainly due to carelessness. On the 6th June 1933 a mail train crashed into a bus at a level crossing on the East Indian Railway, due to carelessness on the part of the gate-keeper and bus driver. Fifteen passengers in the bus were killed on the spot, and 16 injured, of whom 2 died later. On the 11th July 1933 the rear portion of a passenger train collided with a mail train at Tarikere station on the Mysore Railway. The accident was due to the brakes in the brake-van of the passenger train not having been applied when the train was stalled on the branch line, and to adequate steps not having

been taken to prevent the rear portion of the train from moving. Eleven passengers were killed on the spot, and 19 injured, 6 of whom subsequently succumbed to their injuries. One accident was caused by floods on the 1st July 1933, when a train on the Barsi Light Railway ran into a breach in the embankment ; the engine crew sustained injuries, and the second fireman subsequently died. The total number of casualties in these 12 accidents was 33 killed and 111 injured, 9 of whom died later.

Roads.

A comprehensive review of the Indian road system ; of the circumstances leading in 1929 to the institution of the Road Account for five years in the first instance ; and of the administration of the Account up to the year 1932-33 is contained in previous issues of this publication. The following paragraphs briefly describe the events of 1933-34 and the financial position of the Account.

Two events of outstanding importance in connection with the administration of the Road Account marked the year under review. The first was the Road-Rail Conference which was opened by H. E. the Viceroy in April 1933, and the second was the resolution adopted by the Indian Legislature in April 1934 placing the Road Account on a more or less permanent basis.

The Road Account.

Although the latter resolution was passed in April 1934, just after the close of the year, it may conveniently be referred to in the present report in view of the fact, that the probationery quinquennium for which the Account was first instituted came to an end in 1933-34, and the desirability of its continuance formed the subject of one of the resolutions passed by the Road-Rail Conference. In regard to this Account, the conference considered that it should be continued for the duration of the present constitution and provision should be made for it in the new constitution ; and further that the uses to which the Account could be put, should be widened so as to include the development of rural communications with a view to facilitate the marketing of agricultural produce. After consultation with local Governments, a new resolution governing the Road Account was adopted by the Central Legislature, in April 1934. In addition to embodying the principles recommended by the Road-Rail Conference, the new resolution increased the reserve at the disposal of the Government of India from 10 per cent to 15 per cent with the object of enabling Government to deal

more liberally with less developed Provinces. Another direction in which the resolution was liberalised is in providing for the service of loans for road development and in special cases for the maintenance of roads constructed from this Account or from loans as admissible charges on the Account.

Capital expenditure on Roads.

On the question of capital expenditure for road development, the Road-Rail Conference resolved " that it is necessary to study the question whether such lack of balance as at present exists in the road systems will, if the means of development are restricted to revenue resources, be susceptible of correction either at all or at a rate consistent with the economic needs of the country ; and accordingly recommended that a comprehensive plan should be drawn up with a view to examining the possibility of development of both main and subsidial roads from loan funds within the limit of the resources available for maintenance ". The Government of India addressed the provincial Governments and suggested that the obstacle of creating new revenue liabilities for the service of loans and maintenance of new roads might be overcome by hypothecating future shares in the Road Account. Up to the end of the year no local Government had been able to make concrete proposals but the question was further discussed at the provincial Economic Conference held in New Delhi in April 1934, when it appeared that there were reasonable prospects of early developments on those lines.

Road-Rail Conference conclusions.

The other resolutions adopted by the Road-Rail Conference relate to questions directly concerning the co-ordination of effort between the various authorities responsible for the development and control of the different forms of transport, so as to reduce un-economic competition between them. These questions chiefly concern the control of public service and goods motor transport in the interests of public safety and convenience ; the restriction of the number of vehicles licensed to ply for hire so as to prevent competition opposed to the public interest ; the removal of statutory embargo on certain railways operating road motor services ; the grant of monopolies of road transport services with a view to developing rural services ; and the creation of machinery at the Centre and in the Provinces designed to secure the co-ordination proposed. The Government of India were in correspondence with the local Governments on these questions and the views of the local Governments had not all been received by the end of the year.

Sind Road Development enquiry.

During the year, Government had under consideration the development of communications in Sind, particularly in the area irrigated by the Lloyd Barrage, and an Engineer was deputed to prepare a co-ordinated scheme of road and rail development for the Barrage Area in consultation with a Railway officer. The entire cost of this enquiry amounting to about Rs. 32,000 was borne by the Government of India from their reserve in the Road Account. The report was still awaited at the end of the year.

Financial position of the Road Account.

Including a receipt of Rs. 1,08 lakhs which accrued during the financial year under report, the total revenue during the first five years amounted to about Rs. 5,18 lakhs. This report, however, covers only a total revenue of some Rs. 4,60 lakhs up to the 30th September 1933, actually credited to the Account before the close of the year. After deducting ten per cent for the reserve, the balance available for distribution was Rs. 4,14 lakhs. Of this Rs. 3,44 lakhs were distributed to the ten Governors' Provinces in all, each individual share varying from about Rs. 75 lakhs for Bombay, Rs. 60 lakhs for Madras and Bengal, to about Rs. 9 lakhs for Assam and Rs. 8 lakhs for the North-West Frontier Province. The expenditure in the nine Provinces excluding Burma was about Rs. 1,92 lakhs. In addition to this, on account of the prevailing financial position, five local Governments had been permitted to borrow an aggregate amount of about Rs. 55 lakhs from their shares in the Account, either for the ordinary maintenance of roads or for the completion of previously undertaken provincial programmes of road development. The unspent balance with the Provinces was, therefore, about Rs. 97 lakhs, and this sum has been carried forward.

As regards the reserve, the total receipts to end of 1933-34 were Rs. 60 lakhs. Out of this, a sum of Rs. 42 lakhs had already been earmarked against specific schemes of importance which were specially selected for assistance, and Rs. 5 lakhs had been set aside for grants for experiments and research. About Rs. 2 lakhs had been spent to the end of the year on administration leaving a balance of about Rs. 11 lakhs with the Government of India.

Posts and Telegraphs.

It is not the purpose of this review to inflict upon the reader a heap of statistics, but the following figures epitomise the embarrassment due to reduction, retrenchment and economies which has fettered the progress of individuals as of Government in these

difficult years since 1930 :—

	Letters (in milns.)	Post-cards (in milns.)	News-papers (in milns.)	Packets (in milns.)	Parcels (in milns.)	Total (in milns.)	Money Orders (in milns.)	Gross Receipts (in crores.)
1900-01	251	218	32	28	3	532	13	3·00
1929-30	575	586	93	120	18	1,392	40½	11·29
1930-31	540	541	84	118	17	1,300	39	10·78
1931-32	481	493	76	111	14	1,175	38	10·65
1932-33	468	451	71	118	13	1,121	37	10·55
1933-34	457	439	70	120	14	1,100	37½	10·72

When it is considered that the number of articles handled by the postal department in a year, vast as the figure is, represents, in relation to the total population of the country, a despatch of only a little over 3 articles per annum, it is depressing to have to record a decrease of 292 millions in the total number of articles, and of 3 millions of money orders over the figures of 5 years ago. Of the efficiency of the post office service, the fact that 99.91 per cent of the total number of postal articles received were correctly delivered, is sufficient testimony.

Several features of interest marked the year's work. Extended facilities in the postal services to Holland, Tanganyika territory, Italian Somaliland, British Somaliland, and a telegraphic money order service to Kenya and Uganda were introduced. Revisions were made in fees for air mails from India to foreign countries and for parcels by air to Great Britain and Northern Ireland, and the air mail money order service was extended to certain countries in the East. Mention must also be made of the decision of the department, as a measure of relief for sufferers in the Bihar earthquake, not to charge commission on remittances by money order payable to His Excellency the Viceroy's Relief Fund, Babu Rajendra Pershad's Relief Fund and the Mayor of Calcutta's Fund.

Telegraph and Telephone Services.

Other important activities of the department are its telegraph, telephone and wireless services. Telephone communications in particular, the dearth of which had begun to arouse criticism, received increased attention and 14 new trunk circuits were opened during the year. The number of departmental telephone exchanges rose

from 317 in 1932-33 to 330, telephone connections from 22,109 to 22,804 and automatic exchanges from 29 to 36, and telephone revenue rose to Rs. 67.49 lakhs, an increase of about Rs. 9 lakhs on the previous year's income. In addition to the departmental exchanges there are 25 exchanges managed by licensed telephone companies mostly in large towns. Nor were extensions confined to India; the overseas radio-telephone service with Great Britain was opened to the public on the 1st May 1933, and later extended to other countries all over the world and even to shipping on North Atlantic voyages. Ceylon, when she has completed the land links to Colombo, will shortly be placed in telephonic communication with the rest of the world by means of a continuously loaded cable capable of transmitting speech, which has linked up India and Ceylon. Besides expansion at home and in the service overseas, the department carried out several noteworthy improvements in long distance trunk communications in India.

While telephonic activities and revenue record a welcome progress, traffic in the telegraph department unfortunately in common with postal traffic, as we have already seen, registered a further decrease. The only feature of interest which remains to be noted is the introduction of a special class of urgent foreign press telegrams at the same rate as for ordinary private telegrams.

Wireless Telegraphy.

During the year the work of modernising the wireless station at Victoria Point (Lower Burma) for aviation purposes and providing a direction-finding installation was completed, and steps were taken to reopen the wireless station at Gaya, which was closed in 1931 as a measure of retrenchment. The opening of the British trans-Indian air service for mails and passengers from Karachi to Calcutta and the subsequent extensions to Rangoon and Singapore, considerably increased the work of the eleven wireless stations on the route in India and Burma, which already cooperated with the Dutch and French services ; in addition, improvements were made in the arrangements for collecting and distributing meteorological information by wireless for air services. As already mentioned, another feature of the year was the opening, on the 1st May 1933, of the overseas radio-telephone service between India and England, and radio-telephone communication was obtained *via* London with many countries in Europe, America and Africa, and also with Australia.

As regards broadcasting there is little change to report. The Indian State Broadcasting Service, with stations at Calcutta and Bombay, continued to work under restricted conditions owing to retrenchment, but the standard of previous years was maintained, and satisfactory results were obtained from the operation of the short-wave transmitter at the Calcutta Station. The arrangements for the reception of the "Empire" short-wave transmissions from England were improved during the year and these programmes were received at an increasing number of places in India. Developments since the close of the year indicate that broadcasting activities are likely to expand rapidly.

Financial position of the Department.

The table of figures given earlier in this Chapter, has indicated how activities, and, consequently the revenue of the department have declined since 1929-30 with the exception of a very small increase over the previous year in 1933-34. The ever-increasing expansion in postal traffic and in the receipts of the department during the first twenty-nine years of the century are a reflection of the general progress in the country, and although the causes of the decline are world wide and beyond the scope of Indian influence, a section at least of her people will always have to answer the grave charge that in a period of severe economic depression, they aggravated the situation by resort to action designed to bring this great and vital service into contempt, by the holding of "postal weeks", and wanton destruction of postal matter in letter boxes. In the year under review the department continued to face adverse circumstances; working expenses increased by Rs. 27 lakhs, the amount of loss of the year's working showed an increase over the previous year, being Rs. 52 lakhs against Rs. 42 lakhs.

Civil Aviation.

The development of aviation in recent years affords a striking instance of material progress. The previous issue of this report foreshadowed a phase of expansion, particularly in commercial air transport, the year under review has witnessed further developments, and slow though these may be, there is every evidence that the expansion movement is not a passing phase but that it is steadily gathering force and broadening its basis.

Regular Air Services.

The significance of the developments in the year 1933 lies in the new company organization, in which arrangements for the operation of the trans-India air service are linked with the development of internal air services. Indian Trans-continental Airways, Limited,

has been formed as an Indian company controlled by a Board of Directors, of whom the majority are Indians, representing respectively, the Government of India, Indian National Airways, Limited, and Imperial Airways, Limited, to operate, jointly with Imperial Airways, Limited, the link from Karachi to Singapore in the England-Australia air service. Space does not permit of a summary of the agreement covering the organization, but it should be mentioned that in consideration of a subsidy by the Government of India, in the form of a remission of certain customs and excise duties, India is admitted to be a State contributing towards the maintenance of the main Empire air service; in common with other contributing States, she obtains thereby the benefit of settling charges for the carriage of air mails on the route in sterling instead of gold francs, a benefit which equals the subsidy paid and which in turn has been passed on to the public in India in the shape of reduced air mail surcharges. Of first importance in the actual development of air services, is the Karachi-Singapore service, operated by 4 Armstrong Whitworth XV (Atalanta) machines with a normal cruising speed of 118 miles an hour. Two of the machines are owned by Imperial Airways and 2 by Indian Trans-continental Airways. This route, with intermediate stations at Jodhpur, Delhi, Cawnpore, Allahabad, Calcutta, Akyab and Rangoon, serves the whole of Northern India and Burma, and has gone a long way to remove the disability previously felt that time saving, as compared with the sea mail service from England, was considerably impaired by the absence, except in South India, of internal air services. Next should be mentioned the Calcutta-Rangoon air service established by Indian National Airways on the 1st December 1933, which, complementing the trans-continental route described above provides a twice weekly service for passengers, mail and freight between Calcutta and Rangoon in 9½ hours as compared with 2½ days. On the 1st December 1933 was also established the first daily air service in India, between Calcutta and Dacca by the same company. The intention in selecting this route is to speed up communications with the important jute districts of Eastern Bengal and the tea districts of Assam, which suffer from lack of through rail communication. Mention must also be made of the Calcutta-Madras Air Taxi service, started as an experiment but which only operated for a short time early in 1934. Concurrent with the establishment of the Karachi-Rangoon service, a flat rate of air surcharge of 6 annas

per $\frac{1}{2}$ oz. letter from any place in India and Burma to Great Britain was introduced, a development speedily reflected in the increased use of air mail traffic. Further evidence of development in 1933 may be seen in the increased number of arrivals and departures of aircraft, 316 and 302 respectively as compared with 271 and 268 in 1932 ; in the increased weight of mails carried, notably on internal lines where the increase over 1932 was about 15 tons; in the increased value of merchandise imported and exported, which was Rs. 50.60 lakhs and Rs. 44,206 respectively as compared with Rs. 8.28 lakhs and Rs. 15,353 in 1932.

Private flying.

Side by side with the regular air services, there is a considerable flying club movement in India of which the progress during the year under report was satisfactory. The flying returns show a total of 10,995 hours flown, as against 9,700 in 1932. Two more developments of the year were the inauguration of a separate United Provinces Flying Club and the resurrection of club flying in the Punjab through the Northern India Flying Club. The United Provinces Club which was originally a branch of the Delhi Flying Club, was established as a separate unit in March 1933, with headquarters at Lucknow and a branch at Cawnpore. It receives the usual subsidy and bonus from the Government of India. In March 1934, the United Provinces Government made a contribution of Rs. 12,000 to the club for the purchase of a new aeroplane. The Northern India Flying Club was established on the 1st October 1933 under a subsidy agreement with the Government of India. The Madras Flying Club opened a branch at Trichinopoly in April 1933. On the 31st December 1934, there were 8 flying clubs in British India, and 1 in Indian States—the Jodhpur Flying Club. Seven of the clubs in British India are subsidised by Government as well as the Aero Club of India and Burma, which is the representative in India of the Federation Aeronautique Internationale, and also the co-ordinating body between Government and the flying clubs. The Government grant for subsidy to the flying clubs remained the same as in the previous year, Rs. 1.3 lakhs. Flying clubs owned 29 machines in 1933 against 26 in 1932, and the membership increased from 1,538 to 1,750. Besides these, there were also 37 privately owned machines at the end of 1933. Reference must also be made to the increasing number of air tours to and from India, and particularly to the Houston-Mount Everest Expedition in March and April 1933. Financed largely by Lady Houston and led by Air

Commodore P. F. M. Fellowes, D.S.O., and Squadron Leader Lord Clydesdale, this memorable expedition not only achieved a magnificent record by flying over and photographing the summit of Mount Everest, but also carried out its scientific purpose to survey the immediate surroundings of the peak and secure data bearing on the problem of operating air transport over high mountain barriers. Yet another event of interest and significance in the flying world, marks the year under review. At the time of the Bihar earthquake, 15th January 1934, a touring company from England, known as India Air Pageants, was at Patna giving aerial displays. Two members of the company flew immediately to Muzaffarpur, and by the third day after the disaster almost the whole of the area affected had been observed from the air by this machine and by an aeroplane specially chartered by the Bihar and Orissa Government, who were thus able to form a general impression of the damage and locate the areas which had suffered most. " The utility of air transport " in the words of a Government statement, " can seldom have been more clearly demonstrated than in the days succeeding this earthquake.".

Accidents. In recording that there were 29 accidents during the year, it is well to remember the distinction between flying and other accidents to aircraft; a flying accident being one which occurs between the commencement and cessation of taxying. Of the 29 accidents 4 were non-flying accidents, of which 3 were due to the negligence of the pilot in starting the engine; 3 accidents occurred to foreign machines, and include the wrecking of an Italian aeroplane which left Calcutta for Rangoon on the 14th April 1933. The plane was reported missing and later portions of the wreckage were washed up on the shore of one of the islands in the Ganges Delta. It is assumed the accident was due to bad weather. Of the remaining 22 flying accidents to Indian aircraft 3 were major disasters though with non-fatal results. During the year Indian aircraft flew 15,240 hours as compared with 11,550 in 1932, when there were 22 accidents.

Viceroy's tours. His Excellency the Viceroy, in an Avro X aeroplane, flew 3,029 miles during the year in the course of 7 tours, and in addition travelled by air from Samalkot in the Madras Presidency to Calcutta, using machines provided by the Madras Air Taxi Service.

Finances. The provision for civil aviation in the year under review was Rs. 9.95 lakhs. It has been increased to Rs. 14.24 lakhs in the budget

for 1934-35, to provide for new capital expenditure, notably on runways at Gaya and extension of the administrative building at Karachi.

Meteorology.

With the further development in aviation the Meteorological Department was called upon to meet new demands for weather reports in connection with the new air services. Though handicapped by the needs of economy, the department continued to maintain the skeleton meteorological organization along each air route as efficiently as possible, besides carrying out its other normal activities. Over 4,100 weather reports and forecasts were issued as against 3,000 during 1932-33. As in other years, candidates for pilots' 'B' license were instructed and examined in meteorology. Seismological and magnetic observations at Bombay, solar observations at Kodaikanal, time-service at Calcutta and Bombay, compilation and tabulation of climatological data, exploration of the upper air by pilot balloon ascents, periodical soundings with self-recording meteorographs ; all these activities continued as in the previous year. A revised code was introduced for reporting in greater detail afternoon and special observations regarding the occurrence of squalls. Regular observations of star transits and of wireless time signals were taken at the Kodaikanal Observatory in connection with the International Longitude operations in 1933.

On the scientific side the department made fair progress during the year. Study was made of some features of depressions originating in the Bay of Bengal during the south-west monsoon and also of the humidity records obtained with hair elements and with wet and dry bulb elements in a Dines' meteorograph. Experiments of interest to aviation were continued to ascertain the height of cloud base at night and for this purpose advantage was taken of the searchlight operations of the Bombay Electric Supply Company, and meteorological conditions affecting aviation over the north-west frontier were investigated at Quetta and Peshawar. Among the numerous other scientific activities undertaken may be mentioned, experiments for the continuous registration of earth-air electric currents, on the measurement of the feeble electric charge associated with drops of various liquids produced by spraying under identical conditions, which it is believed, will throw considerable light on the process of generation of charges on drops ; on the vortices formed on the discontinuous boundary between gases at different tempera-

tures. An investigation was made of the properties of the air layer next to an evaporating surface. High lapse rates of temperature and their diurnal variation in the surface layers of the atmosphere over Northern India were studied. Investigations of sizes of fog and rain droplets and of temperature of rain were made at Khandala. The Agricultural Meteorology branch mentioned in the previous year's report was actively engaged in a study of cotton statistics in the Bombay Presidency and adjoining cotton areas in relation to weather factors, of evaporation in relation to other meteorological factors as well as in relation to cotton yields and of maximum temperatures with a view to their prediction. At Peshawar meteorological conditions favourable to heatstroke and diseases like malaria and sandfly fever were investigated. Experimental work done by the branch included the measurement of solar, terrestrial and nocturnal radiation, of the temperature of air, soil and plant and of the evaporation of water and the device of suitable instruments for studying the meteorology of the air layers near the ground and the movement of heat and moisture in the soil. In addition to several papers and notes communicated to foreign journals the department published one Memoir, one Monograph and three scientific notes.

CHAPTER VI.

Commerce.

In this Chapter certain general features of the year's trade will first be described, thereafter a somewhat more detailed account of the principal commodities exported and imported will be given, and finally some reference will be made to other matters of commercial interest.

Scope of Chapter.

Agricultural conditions were on the whole fairly-good, although in some places crops were damaged by excessive rains and, in the cold weather, by low temperature and frost. The monsoon of 1933 which started a little earlier than usual and was well distributed both in frequency of rainfall and in extent, averaged 14 per cent above the normal over the plains of India. The outturn of rice fell short of the previous year's good crop, but was still satisfactory, particularly in Burma where the yield was 5 per cent in excess of last year. Wheat was better than the preceding season's production by 5 per cent. Sugarcane exceeded the previous year's record by 8 per cent. Jute and cotton crops yields improved by 13 and 7 per cent respectively. Groundnut gave an increased production, sesamum and castor seed was slightly less, and rape, mustard and linseed about the same as in the previous year.

Agricultural conditions.

Industrial conditions were generally favourable although some minor disturbances of a sporadic nature occurred.

Industrial conditions.

A brief review of the world economic situation has been attempted in the Chapter on Finance. It is sufficient to observe here that some recovery however feeble from the oppressive economic conditions of recent years was noticeable. In many countries the almost uninterrupted decline that had started at the end of 1929 slackened off, and in certain quarters a feeling has been expressed that world trade is in the process of returning to some kind of stability, even if at a very much restricted level.

Economic conditions abroad.

Indian conditions generally showed some progress towards recovery, although there was little or no improvement in the agricultural position. The prices of agricultural commodities generally rose from the beginning of the year till June or July; thereafter

Indian conditions and price levels.

there was a distinct recession till the end of the year, when they seemed to have steadied somewhat. On the whole Indian industrial conditions appeared to be slightly better during the year than had been the case during the years immediately preceding, while as far as foreign trade was concerned, the position improved distinctly. The declining tendency of commodity prices was reversed about the beginning of the year; from 82 in March, the Calcutta price index number rose steadily, till at the end of July it reached 91, the maximum for 1933-34. After a slight recession following on the adjournment of the World Economic Conference, the index number remained practically steady, though at a very low level between 88 and 90, for the 10 subsequent months.

Export and Import trade movements compared: general features.

An examination of the Indian price index number shows that a most conspicuous feature of the movement of prices in India since the period of depression started in 1929 has been the heavier decline in the prices of agricultural commodities. Taking the Indian index number series, the number for exported articles in September 1929 was 217 and for imported articles 167. For March 1934, the numbers were 117 and 126 respectively; expressed in percentages the fall in March 1934 as compared with September 1929 in the export level was 46 per cent and in the import level 24.6 per cent. These figures indicate the position over the whole period 1929 to 1934; but if the levels prevailing in December 1931 are taken as the standard, the position is reversed. Thus the decline in March 1934 as compared with December 1931 in the export level was 4.9 per cent, and in the import level 13.1 per cent. The same trend is disclosed by the Calcutta index number series. Taking September 1929 as the standard, the export price level fell 39 per cent in December 1931 and the import price level only 17 per cent. From December 1931 to March 1934 the decline in the levels was 6.2 per cent for exports and 10.5 for imports.

The index number of exported articles when the year opened was 110, it improved to 119 in July and August 1933, receded to 114 in November and December 1933 and January 1934 and rose again to 117 for the last two months of the year. The position may be further illustrated by the prices of important exports. Compared with September 1929, the following decline had taken place by December 1931. Rice had declined by 40 per cent; wheat by 36 per cent; tea by 47 per cent; oilseeds by 54 per cent; raw jute by 36 per

cent; raw cotton by 34 per cent. By March 1934 the percentage of decline for rice had risen to 52, for wheat to 49, for cotton to 51; the percentage of fall for oilseeds was 55, and for jute it had fallen to 53. Tea, owing to the " export restriction scheme " showed a great improvement in 1933 over the previous year. The index number rose from 57 in December 1932 to 149 in January 1934. This fall in the price of agricultural commodities,—India's export trade—has seriously affected the national income; the total value of exports in the year under review was Rs. 150 crores, or a drop of Rs. 76 crores on the figure for 1930-31, though the position was Rs. 14 crores or 10 per cent better than in 1932-33. The trend of price levels for imports since 1929 in comparison with that of exports, has already been described. During the year the index number of prices for imports in the Indian series varied but little. Opening at 125 in April 1933, the highest point was recorded in July at 128, and the lowest in January 1934 at 122; by the end of the year the number had risen again to 126. The total value of imports during 1933-34 amounted to Rs. 115 crores as compared with Rs. 132 crores in the previous year, a decline of Rs. 17 crores or 13 per cent.

Summary of the year's trade: Imports.

As a preface to a more detailed account of the export and import trade this paragraph and the three following will attempt a brief general survey of trade movements during the year. We have seen that the total value of the year's import trade showed a decline of Rs. 17 crores or 13 per cent over the previous year. Under foreign textiles the decrease amounted to Rs. 16 crores or 34 per cent on a total of Rs. 47 crores recorded in 1932-33. The decline under the textile group was primarily the result of smaller imports of cotton piecegoods, the total receipts of which only amounted to 796 million yards, valued at Rs. 13,49 lakhs, as compared with 1,225 million yards valued at Rs. 21,26 lakhs in 1932-33. All the principal varieties of cotton piecegoods participated in the decline, and imports from both the United Kingdom and Japan recorded decreases. Under the metals groups there was a decline of Rs. 24 lakhs; the rise in iron and steel from 326,000 tons to 329,000 tons in quantity and from Rs. 5,30 lakhs to Rs. 5,53 lakhs in value, being more than off-set by the fall in other metals. Under machinery and millwork there was an advance of Rs. 2,22 lakhs chiefly due to larger arrivals of sugar machinery. The value of hardware imports contracted from

Rs. 2,99 lakhs to Rs. 2,88 lakhs. There was an improvement in the imports of motor vehicles from Rs. 2,43 lakhs to Rs. 3,19 lakhs, but rubber manufactures recorded a decline from Rs. 1,98 lakhs to Rs. 1,88 lakhs. The protective duty on sugar again largely accounted for a further decline in the quantity of foreign sugar imported from 402,000 tons to 264,000 tons and in value from Rs. 4,23 lakhs to Rs. 2,71 lakhs. Mineral oils contracted in value from Rs. 6,70 lakhs to Rs. 5,83 lakhs, while arrivals of fuel oils increased slightly.

Exports.

On the export side, of the total advance in value of Rs. 14 crores or 10 per cent over the year before, raw cotton accounted for an increase of Rs. 6⅔ crores, from Rs. 20⅓ crores to Rs. 27 crores. Exports of raw and manufactured jute recorded an improvement in value of Rs. 1 crore. Tea rose by Rs. 2,70 lakhs in value owing to the much higher price obtained although the quantity despatched fell from 379 million lbs. to 318 million lbs. Exports of oilseeds, hides and skins, metals and ores, and lac all showed an improvement over the figures for the preceding year. Despatches of coffee advanced in quantity but the value dropped by Rs. 8 lakhs. Under foodgrains the value of the shipments fell from Rs. 16,08 lakhs to Rs. 11,75 lakhs: exports of wheat remained practically unchanged at 2,000 tons, rice dropped considerably from Rs. 14,46 lakhs to Rs. 10,57 lakhs in value.

Re-exports.

The total value of re-exports amounted to Rs. 3,42 lakhs, which represented an improvement of Rs. 20 lakhs over 1932-33, but a decline of Rs. 1,72 lakhs in comparison with 1930-31. There was an increase in the re-exports of cotton manufactures, raw skins, raw wool, shipments of sugar and raw cotton.

Balance of trade and gold exports.

The visible balance of trade in merchandise and treasure for the year 1933-34 was in favour of India to the extent of Rs. 92 crores as compared with Rs. 68 crores in 1932-33, and the record figure of Rs. 109 crores in 1925-26. Shipments of gold from India continued on a large scale, although the exports of 1933-34 valued at Rs. 58,15 lakhs were smaller than those of the preceding year by Rs. 8,69 lakhs.

Detailed account of Imports: Cotton and cotton goods.

The foremost item in the import trade is cotton and cotton goods. The year 1932-33 had been one of fresh advances for the import trade in cotton manufactures. The year under review, on the contrary, saw a steady decline from the high level of 1932-33. All sections of the trade were affected, twist and yarn and cotton piecegoods, notwithstanding their different status in the industrial

economy of the country, having more or less shared the same fate. The total value of imports of cotton manufactures during the year was Rs. 17,74 lakhs as compared with Rs. 26,83 lakhs in the year preceding, and Rs. 59,49 lakhs in 1929-30, which for purposes of comparison may be taken as the last of the normal years. Imports of cotton twist and yarn amounted to 32 million lbs., valued at Rs. 2,58 lakhs as against 45 million lbs., valued at Rs. 3,79 lakhs in 1932-33. It is to be noticed, however, that the rate of decline was greater for value than for quantity: whereas the value of consignments fell by 32 per cent, quantity fell by 29 per cent. Expressed in percentages, imports from Japan showed a decline of 36 per cent, from the United Kingdom of 25 per cent and from other countries of 23 per cent.

Imports of piecegoods amounted to 796 million yards worth Rs. 13,49 lakhs as compared with 1,225 million yards worth Rs. 21,26 lakhs in the previous year. This decrease of 429 million yards, or 35 per cent, was largely due to smaller shipments from Japan as a result of the increased duties. An interesting commentary on the effect of the civil disobedience movement on the Bombay trade is to be seen in the figures for imports of cotton piecegoods. In 1932-33 Bombay received 27 per cent, Bengal 29 per cent and Sind 25 per cent of the total quantity imported. During the year under review Bombay's share was 33 per cent, and of the other two Provinces 26 and 21 per cent respectively. The probable explanation of this is that a large part of the trade which during the active period of the civil disobedience movement had been diverted to Sind from Bombay is gradually being transferred back to Bombay. The feature of outstanding importance in the cotton piecegoods trade of the year is the increase in the proportion of imports coming from the United Kingdom and decrease in that from Japan. From 97.1 per cent of the total cotton piecegoods trade enjoyed in 1913-14, imports from the United Kingdom fell to 48.7 per cent in 1932-33, while for the same period the trade from Japan rose from 0.3 per cent in 1913-14 to 47.3 per cent in 1932-33. In the year under review the United Kingdom trade rose to 53.5 per cent and the Japanese trade declined to 43.9 per cent. This may be accounted for partly by the widening of the difference between the rates of duty applicable to the imports from the two countries. In the same way as cotton twist and yarn, the decline in the value of cotton piecegoods imported was greater

than the decline in quantity; while the quantity imported fell by 35 per cent, the value decreased by as much as 37 per cent. The considerable fall in the import demand for cotton goods in 1933-34, represents a reaction against the unexpectedly heavy increase in imports in the preceding year. The central figure in the "boomlet" of 1932-33 had been Japan, and in her anxiety about the rising tariff on cotton goods in India, she had sought to minimise its impact by anticipating the increases and expanding stocks to an extent sufficient to cover the demand for some months ahead. The heavy imports of 1932-33, coming as they did in disregard of the statistical position in the trade, were bound to result in a glut on the markets in India and thereby react on the trade prospects for 1933-34. Another reason for the reduction of imports in 1933-34 was the increase of duties in June of that year. Some broadening of the basis of demand might have been expected as a result of the gradual lifting of the boycott against foreign goods, but other factors, local and international, operated to keep the market weak. In India continued feebleness in the purchasing power of the agricultural population resulting from the low prices for important crops such as jute, cotton and rice; the effects of the Bihar earthquake; abroad the unsteadiness of the dollar, which had the effect of postponing bulk buying, these were some of the reasons why the Indian import trade in cotton goods declined during 1933-34.

Silk and Wool.

Imports of both silk and wool, raw and manufactured, showed an appreciable diminution. As regards silk, the total supplies received during the year were valued at Rs. 3,59 lakhs as against Rs. 4,33 lakhs in 1932-33. Imports of raw silk declined from 3.2 million lbs. valued at Rs. 1,17 lakhs to 2.4 million lbs. valued at Rs. 72 lakhs. An outstanding feature in the silk trade was a further significant increase in Japan's share of piecegoods imports from 26.8 million yards valued at Rs. 1,33 lakhs to 34.3 million yards valued at Rs. 1,47 lakhs. The artificial silk trade also suffered a considerable reduction, here again Japan increased her share at the expense of other competitors, notably Italy, while the United Kingdom's share declined very slightly. Under raw and manufactured wool, the imports of the year were valued at Rs. 2,55 lakhs as against Rs. 2,96 lakhs of the previous year. Imports of raw wool decreased from 7.2 million lbs. valued at Rs. 42 lakhs to 5.1 million lbs. valued at Rs. 34 lakhs. Although Australia's contribution was

lower than in 1932-33, it still remained the largest share with 2.8 million lbs. valued at Rs. 18 lakhs. Imports from the United Kingdom receded from just over 2 million lbs. to 1½ million lbs., a drop in value from Rs. 18 to Rs. 14 lakhs. Imports of woollen piecegoods declined from 13.9 million yards valued at Rs. 1,61 lakhs in 1932-33 to 11.5 million yards valued at Rs. 1,30 lakhs in the year under review. Japan and the United Kingdom, however, increased their shares at the expense of the continental countries.

Metals and manufactures thereof.

The next main import group, metals and manufactures thereof, showed a further decline by 1 per cent in quantity from 395,000 tons to 392,000 tons, and by 2 per cent in value, from Rs. 9,73 lakhs to Rs. 9,49 lakhs. Imports of manufactured iron and steel declined slightly in quantity. The value of the consignments rose by 4 per cent from Rs. 5,29 lakhs to Rs. 5,51 lakhs. Imports of all classes of iron and steel showed a very slight rise of 1 per cent from 326,000 tons to 329,000 tons; actual imports from the United Kingdom increased by 26,000 tons, a percentage share of increase from 43 per cent in 1932-33 to 50.5 per cent which is the highest figure on record since 1928-29. There was a slight increase in Germany's share of the trade, and imports from Japan were doubled, from 8,000 tons in 1932-33 they rose to 16,000 tons in 1933-34. Belgium's trade on the other hand declined considerably. Imports of metals other than iron and steel, declined from 69,000 tons valued at Rs. 4,42 lakhs in 1932-33, to 62,000 tons valued at Rs. 3,95 lakhs. Almost all descriptions of non-ferrous metals with the exception of aluminium and lead, showed decreases. The downward trend in the demand for aluminium which had been in evidence over the preceding few years was arrested and imports rose in value from Rs. 22 lakhs to Rs. 32½ lakhs. Imports of brass fell from 571,000 cwts. to 471,000 cwts. in quantity, and from Rs. 1,80 lakhs to Rs. 1,38 lakhs in value. Germany, the principal source of supply of this metal, suffered a considerable decline in her share. Japan's contribution also fell, while that of the United Kingdom advanced from 150,000 cwts. to 156,000 cwts. The increase in lead imports, valued at Rs. 5½ lakhs, was about Rs. 1½ lakhs. Imports of unwrought zinc which had been steadily increasing in recent years, declined slightly although the value of the imports was well maintained due to regulations of production.

Machinery. Under all classes of machinery and millwork there was an improvement to the extent of Rs. 2,23 lakhs, from Rs. 10,54 lakhs in 1932-33 to Rs. 12,77 lakhs in 1933-34. The sugar industry was mainly responsible for this increase, and imports of sugar machinery were valued at Rs. 3,36 lakhs as against Rs. 1,53 lakhs in 1932-33. Of the total value recorded the United Kingdom's share in 1933-34 amounted to 58 per cent, and the balance was made up by imports mainly from the Netherlands, Belgium and Germany. The impetus given to Indian sugar production by the passing of the Indian Sugar Industry (Protection) Act, 1932, is reflected in the number of new factories erected during the year under review, namely, 64 with an estimated output of 160,000 tons. There was an increase of Rs. 11 lakhs in value under railway locomotives, and an increase in agricultural machinery imported from under Rs. 7 lakhs to over Rs. 10 lakhs, also increases in certain minor items under this head. Against this, imports of electrical and textile, tea and mining machinery, rice and flour mill machinery all registered a decline.

Motor vehicles. The import trade in motor vehicles had been on a downward grade for some time. The year under review, however, saw the first sign of an improvement and the value of the imports of all classes of motor vehicles increased from Rs. 2,43 lakhs in 1932-33 to Rs. 3,19 lakhs in 1933-34; part at least of this increase is attributable to the sub-normal importation of the preceding few years which had evidently failed to keep pace with the normal deterioration of vehicles in use. The number of motor cars imported increased by 3,558 in number and Rs. 48 lakhs in value, the figures for 1933-34 being 9,759 cars valued at Rs. 1,77 lakhs as against 6,201 cars valued at Rs. 1,29 lakhs in the preceding year. In 1930-31, 12,601 cars valued at Rs. 2,58 lakhs had been imported. The United Kingdom still retained the predominant position which she had wrested from the United States in 1932-33, but there were relatively larger increases in the shares of the United States and Canada during the year under review. In 1932-33 the share of the United Kingdom was 64 per cent, and of the United States and Canada combined 24 per cent. In 1933-34 the United Kingdom's share fell to 55 per cent while that of the other two countries had advanced to 40 per cent. The achievements of the British manufacturers in improved chassis design and coach work perfection and the wide range of engine power offered, aided by a 7½ per cent preference and an exchange

advantage which had not been altogether neutralized by dollar depreciation, have secured for the British industry a competitive power which both American and Canadian exporters find difficult to meet. Imports of motor omnibuses, vans and lorries improved from 2,676 in number valued at Rs. 41 lakhs in 1932-33 to 5,496 valued at Rs. 66 lakhs in 1933-34. The outstanding feature has been the recapture of the trade by the United States and Canada, which together increased their share from 80 to 90 per cent.

Mineral oils.

Imported mineral oils suffered a further contraction from 188 million gallons valued at Rs. 6,70 lakhs in 1932-33 to 186 million gallons valued at Rs. 5,83 lakhs in 1933-34; a contraction of 1 per cent in quantity and 13 per cent in value. Imports of kerosene oil fell from 59 to 58 million gallons in quantity and from Rs. 2,54 lakhs to Rs. 2,27 lakhs in value, the share of the Union of Socialist Soviet Republics which holds a predominant place in the kerosene trade in Indian markets declined from 69 to 66 per cent. Petrol imports fell from 5 million gallons valued at Rs. 37 lakhs in 1932-33 to 1.6 million gallons valued at Rs. 6 lakhs in 1933-34, but against this decline must be set off a larger production at home. Imports of fuel oils showed a slight improvement in quantity, although the value fell from Rs. 2,03 lakhs to Rs. 1,96 lakhs.

Sugar.

Sheltered behind a protective tariff the sugar industry in India has developed its production with considerable speed and success. The downward movement in imports which has been referred to in previous issues of this review continued during 1933-34. This movement may be illustrated further by the following figures. Imports of sugar of all sorts including molasses in 1930-31 were returned at 1,003,000 tons; in 1931-32 at 556,000 tons; in 1932-33 at 402,000 tons and in 1933-34 at 264,000 tons. The further recession in the total imports mainly affected Java, the supply of the United Kingdom showing a slight increase from 35,000 tons to 37,000 tons.

Other imports.

With the exception of drugs and medicines, imports of which were valued at Rs. 1,93 lakhs, or an increase of 4 per cent on the previous year, and of instruments and apparatus, which rose from Rs. 3,85 lakhs to Rs. 4,02 lakhs in value, also of imports of coal which increased by 60 per cent, imports of most other commodities declined. Quantitatively rubber imports were higher than in 1932-33, but the aggregate value declined from Rs. 1,98 lakhs to a further low level of Rs. 1,88 lakhs. Similarly there was a considerable

increase in the quantity of spices imported, but the value fell from Rs. 1,72 lakhs to Rs. 1,56 lakhs. Under liquors there was a decline in quantity but a rise in value from Rs. 2,26 lakhs to Rs. 2,27 lakhs. Imports of hardware fell from Rs. 2,99 lakhs to Rs. 2,88 lakhs; of provisions from Rs. 2,93 lakhs to Rs. 2,72 lakhs; of chemicals from Rs. 2,71 lakhs to Rs. 2,70 lakhs; of paper and pasteboard from Rs. 2,86 lakhs to Rs. 2,63 lakhs; of salt from Rs. 79 lakhs to Rs. 47 lakhs; of dyes from Rs. 2,50 lakhs to Rs. 2,46 lakhs; of glass and glassware from Rs. 1,42 lakhs to Rs. 1,22 lakhs.

Detailed account of Exports: Jute, raw and manufactures.

The export trade of 1933-34 was valued at Rs. 150 crores, representing an improvement of Rs. 14 crores or 10 per cent on the year previous. Jute, raw and manufactured is the principal item in this trade. The total weight exported during the year amounted to 1,420,000 tons, an increase of 177,000 tons over the previous year, while the value increased from Rs. 31½ crores to Rs. 32⅓ crores. In last year's report some reference was made to the factors responsible for the decline in the jute trade in recent years; chief among these were an increase in the supply of raw jute and a fall in the world demand for jute commodities. The crops of 1932 and 1933 gave comparatively heavy yields, and this was bound to have repercussions on the trade and on the course of jute prices during the year. The price per bale of 400 lbs. varied between Rs. 24 to Rs. 37. Taking the year as a whole conditions in the jute market cannot be said to have assumed a healthier tone.

Exports of raw jute were 33 per cent higher than in 1932-33, and only 3 per cent less than the shipments of the pre-war year 1913-14. The increase in quantity was from 563,000 tons to 748,000 tons and in value from Rs. 10 crores, the lowest point of depression, to Rs. 11 crores. The value of exports to Germany increased from Rs. 2,12 lakhs to Rs. 2,42 lakhs, and to United Kingdom from Rs. 2,24 lakhs to Rs. 2,55 lakhs. Exports of gunny cloth increased from 1,012 million yards in 1932-33 to 1,053 million yards in 1933-34, and in value from Rs. 10,24 lakhs to Rs. 11,38 lakhs. Compared with 1932-33, takings of the United States of America and Canada increased by 98 and 15 million yards respectively while those of Argentine and the United Kingdom decreased by 68 and 6 million yards respectively. There was a decrease, however, under gunny bags from 415 to 402 millions and in value from Rs. 11,16 lakhs to Rs. 9,72 lakhs.

Cotton, raw and manufactures.

The next item in importance in the export trade is cotton, raw and manufactured. The total outward shipments of Indian cotton during 1933-34 amounted to 2,740,000 bales as compared with 2,063,000 bales in 1932-33, and the value amounted to Rs. 26,59 lakhs as compared with Rs. 20,37 lakhs in the preceding year. The volume of the exports thus increased by 33 per cent, and the value by 31 per cent over the previous year. Japan still remained the largest single market for Indian cotton, although her share decreased slightly from 1,085,000 bales valued at Rs. 11,12 lakhs in 1932-33 to 1,022,000 bales valued at Rs. 10,53 lakhs in 1933-34. The basic feature of the raw cotton trade in 1932-33 had been a heavy offtake of American cotton in the markets of the East. The comparatively higher basis for American cotton in the year under review, due partly to elaborate propaganda in the United States in favour of a policy of restricting production, and partly to the lower crop outturn of 1933, should normally have led to Japan switching over to Indian cotton, the parity for which was comparatively low in the year under review. In 1932-33 the parity for Indian cotton remained in the neighbourhood of 94 for the greater part of the year, during 1933-34 the parity fluctuated from 87.3 at the beginning of 1933 to 88.4 during May, and back to the low figure of 74.3 at the end of the year. The tendency of Japan to increase her takings of Indian cotton which had become pronounced during the last three months of the preceding year came to an abrupt halt in June 1933, owing to the boycott initiated by certain Japanese cotton interests as an act of reprisal against the decision of the Government of India to abrogate the Trade Convention of 1904 with Japan. The boycott which lasted from June 1933 to early January 1934 set up reactions sufficient to cause a set-back in the price outlook for Indian cotton, which remained depressed for the greater portion of the year. Actually a reduction in exports to Japan was more than set off by increased shipments to China. The withdrawal of Japan from the market in India, even for a short period, forced the Indian grower to make large sacrifices in prices, and to surrender a good part of the monetary compensation which could have been his but for the boycott. Another result of the comparatively low parity for Indian cotton was to encourage a larger absorption of Indian cotton in markets other than Japan, and there was a notable expansion in the demand of the United Kingdom, Italy, Germany, France and Belgium. As regards cotton manufactures, the Indian mill industry in 1932-33

had been through a period of intense competition from Japan. The depreciation of the yen further aggravated the competition, and on the recommendations of the Tariff Board as the result of a summary inquiry, the Government of India in August 1932 raised the duties on cotton piecegoods not of British manufacture. With the subsequent further depreciation of the yen Government made yet another tariff revision and the higher rates which came into force in June 1933 remained operative until the 8th of January 1934, when as a result of the successful negotiations with the Japanese delegation in connection with the renewal of the Commercial Treaty between India and Japan, the rates were reduced to the level fixed in August 1932.

The production of piecegoods in 1933-34 in Indian mills was reduced by 225 million yards, mainly due to a falling off in the outturn of the Bombay group of mills, 17 of which were reported to have closed down or suspended working temporarily owing to financial complications. The actual quantity of Indian piecegoods exported showed a further decline from 66 million yards in 1932-33 to 56 million yards in 1933-34, the corresponding decline in value being from Rs. 2,09 lakhs to Rs. 1,66 lakhs.

Tea.

Tea constitutes one of the principal items in India's export trade. In last year's report reference was made to the catastrophic slump in tea prices due to heavy over-production, particularly of teas of inferior quality, and the reduced world demand. The International Scheme for the Regulation of Exports of tea operated throughout 1933-34. India, Ceylon and Netherlands Indies were assigned a definite quota under the restriction scheme, and it can be said that the hopes which the scheme engendered have been justified to a considerable extent. In India production in the year under review decreased from 434 million pounds in 1932-33 to 383 million pounds, a decline of 51 million pounds. Besides the effects of the restriction scheme, climatic factors contributed to produce this decline. The total exports of tea in 1933-34 amounted to 318 million lbs. valued at Rs. 19,85 lakhs as compared with 379 million lbs. valued at Rs. 17,15 lakhs in 1932-33. Relatively to the exports of 1932-33, there was thus a decrease of 16 per cent in quantity and an increase of 16 per cent in value, the average declared value per lb. of tea exported amounting to 10 as. in 1933-34 as against 7 as. 3 p. in the preceding year. Of the total outward shipments the United

Kingdom took 87 per cent or much the same as in 1932-33, the value however, increased from Rs. 14,78 lakhs to Rs. 17,57 lakhs.

Foodgrains. The slump in the export trade in foodgrains which was noted in last year's report, intensified further during the year 1933-34, and the shipments fell from 2,056,000 tons to 1,870,000 tons or by 9 per cent in quantity and from Rs. 16,08 lakhs to Rs. 11,75 lakhs or by 27 per cent in value. Rice and wheat will be considered in the following paragraphs; of the other cereals, consignments of pulse declined from 111,000 tons to 104,000 tons. Barley was virtually eliminated from the export trade of India, the shipments amounting to 142 tons against 16,600 tons in 1932-33.

Rice. The exports under rice, which accounted for 93.3 per cent of the total quantity of foodgrains and flour exported, receded from 1,887,000 tons in 1932-33 to 1,744,000 tons. Exports from Burma, which was responsible for 88 per cent of the total shipments, declined from 1,657,000 tons to 1,527,000 tons, or by 8 per cent. Some of the reasons for this further decline in exports and depressed conditions in the rice market, were the large crop surpluses in Burma which were estimated at nearly 3½ million tons at the beginning of the year; the narrowing in the world demand for rice; intensive development of certain tracts which instead of importing their requirements, endeavoured to grow their own rice; and restriction on imports by legislation in some foreign countries. Although the crop outturn in India proper was 4 per cent smaller than that of the preceding year, this decrease was discounted by a record production in Burma, which showed an increase of 272,000 tons or 5 per cent, over the previous crop. The bulk of the decline in exports recorded in 1933-34 was due to a falling off in the requirements of the consuming markets in Asia, notably of China and Japan. New low levels in prices much below the normal of the pre-depression years were recorded.

Wheat. Exports of wheat dropped even below the abnormal low figure of 2,200 tons recorded in 1932-33; shipments during the year under review amounted to only 2,060 tons. This virtual isolation of India from the world markets was due, partly to imposition of heavy tariffs on imports which most countries had imposed in order to protect their own agriculturists, partly to the existence of heavy surplus stocks in the world wheat markets. In the beginning of 1933-34, the world exportable stocks were believed to be in the neighbourhood of 700 million bushels. Prices in India declined but were

nevertheless well above the export price parity during the whole year.

Oilseeds. There was an improvement in the total exports of Indian oilseeds of all kinds from 733,000 tons in 1932-33 to 1,124,000 tons in the year under review, and from Rs. 11,31 lakhs to Rs. 13,66 lakhs. This represents an improvement of 53 per cent in quantity and 21 per cent in value, and is mainly due to the recovery made by Indian linseed. The increase of 307,000 tons in quantity, and over Rs. 3½ lakhs in value, in the exports of linseed was largely due to the combined effect of the Ottawa preference in the United Kingdom and the relative scarcity of supplies in international markets. The United Kingdom took 162,000 tons more than in the previous year, and exports to the United States, Italy, France, Germany and Australia all recorded increases. With the exception of linseed and groundnuts, exports of other oilseeds declined in quantity and value, the falling off in the demand for rapeseed being about 37 per cent.

Other exports. The general improvement in the year's export trade was shared by most commodities. The figure of exports for hides and skins advanced from 42,000 tons to 61,000 tons in quantity and from Rs. 7,43 lakhs to Rs. 9,90 lakhs in value. There was a considerable and unexpected improvement in the export trade of lac, shipments having increased from 418,000 cwts. valued at Rs. 1,24 lakhs in 1932-33 to 731,000 cwts. valued at Rs. 2,46 lakhs; this represents an increase in volume of 75 per cent and in value of 98 per cent, and was largely due to the reappearance of the American demand early in the year. Exports of raw wool also increased by 75 per cent from 32 million lbs. to 56 million lbs. The United Kingdom took 43 million lbs. as compared with 28 million lbs. in 1932-33, while the share taken by the United States of America was more than trebled. The total exports of ores in 1933-34 amounted to 305,000 tons valued at Rs. 1,84 lakhs as compared with 227,000 tons valued at Rs. 1,36 lakhs in the previous year; there was a considerable increase in the quantity of manganese ore which represents about 87 per cent of the total quantity of ores exported. Exports of pig iron advanced by 73 per cent in quantity and by 15 per cent in value and pig lead increased by 7 per cent in quantity and by 3 per cent in value over the preceding year. Tobacco unmanufactured recorded increases of 38 per cent in quantity and 23 per cent in value, the shipments rising from 21 million lbs. to 29 million lbs. valued at Rs. 73 lakhs

and Rs. 90 lakhs respectively. Exports of teakwood, raw hemp and raw rubber also recorded increases in quantity and value. Although the quantity of coffee exported increased, the value of the shipments fell from Rs. 1,10 lakhs to Rs. 1,02 lakhs, mainly due to the depressing effect on prices of the heavy Brazilian crop of 1933-34.

Direction of trade.

We may conclude this description of the year's trade with a brief analysis of what is known as the direction of trade—that is, the relative movements of the share of Indian trade enjoyed by various countries. Great Britain's percentage share in the trade of both exports and imports again increased during the year; imports rose from 36.8 per cent in 1932-33 to 41.3 per cent, and exports from 28 per cent to 32.2 per cent. The share of the British Empire as a whole advanced from 44.8 per cent to 50 per cent under imports and from 45.4 per cent to 46.8 per cent under exports. Under imports the share of the United States of America declined from 8.5 to 6.2 per cent, but her participation in the export trade increased from 7.4 to 9.6 per cent. Of the other countries Japan's percentage share under both imports and exports declined; on the export side there was also a decrease in the share of France, Ceylon and Australia, and on the import side of Germany, Java and Italy. There was a small increase in China's share in the export trade. These tendencies may be illustrated by figures of the principal commodities. The United Kingdom's share in the import trade showed an increase under cotton manufactures, iron and steel, motor cars, instruments, mineral oils, sugar, hardware, liquors and paper. Under cotton manufactures, her share rose from 53 per cent in 1932-33 to 58.8 per cent in 1933-34, while Japan's contribution decreased from 38 to 35 per cent. Under machinery the proportion coming from the United Kingdom dropped from 74.1 per cent to 68.4 per cent, while Germany advanced her share from 9.3 to 10.3 per cent. Under motor vehicles the proportion of imports credited to the United Kingdom further increased from 47.6 per cent in 1932-33 to 48.3 per cent, at the expense of the United States of America and Italy, while Canada's share increased from 5.7 to 14.7 per cent. Under iron and steel there was a recovery in the percentage shares of the United Kingdom from 51.1 to 57.5 per cent. On the export side there was a drop in the proportion taken by the United Kingdom under hides and skins from 66.3 per cent in 1932-33 to 63.1 per cent in the year under review. Under raw jute the United Kingdom's share remained

practically the same at 23 per cent; there was an improvement from 6.7 to 8.8 per cent in the share taken by Italy, while that of France declined slightly. In jute manufactures the proportion taken by the United States of America improved considerably from 25 per cent to 31.2 per cent. Japan's share of the raw cotton trade which had been 54.5 per cent in 1932-33, fell to 39.6 per cent. Under oilseeds France received only 23.3 per cent as against 38.1 per cent in 1932-33, while the United Kingdom's share expanded from 10.9 to 23.8 per cent.

The total value of the exports of merchandise from India normally exceeds that of her imports. In the five pre-war years the average surplus of exports over imports amounted to Rs. 78 crores; in the five post-war years the average was Rs. 53 crores; in 1931-32 the surplus amounted to Rs. 35 crores. In 1932-33 the balance fell to only Rs. 3 crores. In the year under review, the position improved again and the surplus amounted to Rs. 35 crores as in 1931-32. As regards India's trade with United Kingdom, imports and exports balanced almost exactly; the imports being valued at Rs. 47,63 lakhs and exports at Rs. 48,20 lakhs. Taking the British Empire as a whole, the balance expanded from Rs. 3 crores in 1932-33 to Rs. 12 crores in favour of India; as regards foreign countries, the balance in favour of India showed a heavy increase from Rs. 1 crore to Rs. 22 crores, although the year's transaction with Japan yielded a balance adverse to India.

Other commercial matters.

Before concluding this Chapter some other matters of commercial interest remain to be recorded.

Training ship "Dufferin".

The first batch of cadets from the Indian Mercantile Marine Training Ship "Dufferin" having completed their sea service presented themselves during the year for their Second Mate's Certificates. So far 21 cadets have succeeded in obtaining that qualification and all of them have been provided with employment. Thirteen of these cadets are serving as junior officers in the Merchant Navy, 1 is serving under the Port Commissioner, Calcutta, and the remaining 7 have joined the Bengal Pilot Service as Leadsmen Apprentices.

Opening of the Vizagapatam Harbour.

The formal opening ceremony of the Vizagapatam Harbour was performed by His Excellency the Viceroy on the 19th December 1933. The new harbour which at present is capable of admitting vessels of a draft not exceeding 26 feet, had been informally opened to

traffic on the 7th October 1933. This harbour will not only constitute a safe anchorage for ocean-going traffic on the East Coast of India between Calcutta and Madras, but will also assist greatly in the development of a hinterland rich in natural resources by providing for its produce a convenient outlet to the markets of the world.

Creation of the Statistical Research Branch of the Department of Commercial Intelligence and Statistics.

In other Chapters of this report, references are made to the Government of India's programme of planned economic advance for India. To ensure the success of such a programme the necessity of a trained organization for the analysis and interpretation of economic facts and phenomena has been recognized, and a Statistical Research Branch of the Department of Commercial Intelligence and Statistics at the headquarters of the Government of India was set up during the year. The main functions of this branch which is at present on a temporary basis include, besides the collection and analysis of economic data, the examination and analysis of the effects of the Ottawa Trade Agreement required to be placed before the Indian Legislature, and the investigation of the various claims for assistance by Indian industries arising out of the Safeguarding of Industries Act.

Revival of the Inland Trade (Rail and River-borne statistics).

The Government of India have had under consideration for some time the question of the revival of the registration of statistics relating to the inland (rail and river-borne) trade of India, the collection and publication of which were discontinued in 1923 as a measure of retrenchment. During the year under review they decided that a monthly return showing the movements of trade in certain principal articles carried by rail and river between the different Provinces in India and the important Indian States, and also to and from the chief ports, should be published by the Department of Commercial Intelligence and Statistics with effect from the 1st April 1933.

Imperial Committee on Economic Consultation and Cooperation, 1933, and India's contribution towards the

One of the subjects discussed at the Imperial Economic Conference held at Ottawa in 1932 was the question of instituting *machinery* for carrying on economic consultation and cooperation between the countries of the British Commonwealth. The conference recommended the appointment of a Committee for this purpose, consisting of not more than two representatives of each of the participating Governments. In pursuance of this recommendation a Committee entitled the Imperial Committee on Economic Consultation and Co-

financing of certain Inter-Empire Economic Organizations.

operation was convened in London early in 1933. India was represented by Sir Atul Chatterjee and Sir Padamji Ginwalla with Sir Harry Lindsay, Indian Trade Commissioner in London, as Adviser and Deputy delegate. The Committee reported in April 1933, and an important result of its recommendations was the discontinuance of the Empire Marketing Board after the 30th September 1933. Certain of the economic and statistical services which were hitherto carried on by the Board, namely, periodic market intelligence notes, and world surveys of production and trade, were continued under the direction of the Imperial Economic Committee. The Committee also recommended that the Imperial Shipping Committee should remain a separate inter-Imperial organization, and proposed certain changes in regard to the Executive Council of the Imperial Agricultural Bureaux. The recommendations of the Committee which were directed generally towards the constituting of all central governing bodies on a representative inter-Imperial basis involved also adjustment of the financial bases of these bodies, and it was proposed that the several Governments of the Empire should agree to contribute annually, £24,000 for a period of three years in the first instance from the 1st October 1933 towards the financing of the Imperial Economic Committee, the Imperial Shipping Committee, and also to meet the cost of a small additional expenditure consequent on certain changes in regard to the Executive Council of the Imperial Agricultural Bureaux. The amount of India's share of contribution has been fixed at £2,880 (Rs. 38,400) per annum. The Government of India were fully satisfied that India should take her share in a cooperating effort which placed at the disposal of the Empire as a whole, a mass of useful economic information which could not otherwise be made available, and with the approval of the Standing Finance Committee of the Legislative Assembly, the Government of India agreed to make this annual contribution for a period of three years from the 1st October 1933.

Exhibitions and Fairs.

During the year under review, India again participated in a number of fairs and exhibitions in the United Kingdom and on the Continent. In addition to the annual British Industries Fair, the more important were the Leipzig International Industries Spring Fair; the annual International Samples Fair at Milan; the Empire and Trade Exhibition at Southend-on-Sea; the Aldershot Empire Show; the Advertising and Marketing Exhibition, Olympia; the 37th

International Confectioners', Bakers' and Allied Trades Exhibition at Islington; the International Grocers' Exhibition at London and the Empire Shop at Brighton.

The Indian Merchant Shipping (Second Amendment) Act, 1933.

The Indian Merchant Shipping (Second Amendment) Act, 1933, passed by the Indian Legislature, received the assent of the Governor General on the 21st September 1933. The Act made certain amendments in the Indian Merchant Shipping Act, 1923, mainly with a view to enabling the Government of India to ratify the International Convention for the Safety of Life at Sea, 1929, and the International Load Line Convention, 1930.

The Indian Dock Labourers Bill.

After consultation with the interests concerned the Government of India came to the conclusion that the Draft Convention concerning the protection against accidents of workers employed in loading or unloading ships adopted by the International Labour Conference at its sixteenth session held in 1932, should be ratified by India. A Bill for giving effect to the Convention, entitled the Indian Dock Labourers Bill, was accordingly brought before the Legislative Assembly.

Grant of protection to the Cotton Textile industry.

In last year's report reference was made to the Cotton Textile Industry Protection (Amendment) Act, 1933. This Act extended up to the 31st October 1933, the operation of the protective duties imposed under the Protection Act of 1930 which was due to expire on 31st March 1933. Meanwhile the Government of India had under consideration the Tariff Board's report on the Indian cotton textile industry. The new trade agreement with Japan, however, together with the un-official agreement arrived at between the representatives of the Indian and the United Kingdom textile industries, referred to in the following paragraph, introduced entirely new factors into the situation, and the Government of India found it necessary to review the measure of protection recommended by the Board in the light of these agreements. The Indian Tariff (Textile Protection) Amendment Act, 1934, while granting substantive protection to the cotton textile industry gave statutory effect to the agreements named above.

Trade Agreement between the Millowners' Association, Bombay, and the

During the year a deputation representing the British cotton textile industry visited India with the object of arriving at some arrangement with Indian cotton industrialists which would further the best interests of the textile industries of both countries. The negotiations were of an un-official character, although the Manchester

British Textile Mission to India.

Chamber of Commerce and other Associations in the United Kingdom utilized the presence of their representatives in India to make representations to the Government of India in respect of the trade relations subsisting between India and the United Kingdom. Discussions between the United Kingdom Textile Mission and the representatives of the Millowners' Association, Bombay, took place in Bombay in September and October 1933, and eventually resulted in the conclusion of an agreement which was signed on the 28th October 1933, and is limited in duration to the period ending on the 31st December 1935. The agreement accepted the view, that the Indian Cotton Textile Industry is entitled for its progressive development, to a reasonable measure of protection against the imports of United Kingdom yarns and piecegoods but that owing to lower costs and other factors operating in foreign countries, the industry required a higher level of protection against them than against the United Kingdom. As regards cotton piecegoods, it was also agreed that when the revenue position of the country made it possible for the Government of India to remove the general surcharge on all imports imposed in October, 1931, the Indian side would not make fresh proposals with regard to the duties applicable to United Kingdom imports. Certain minimum specific rates on cotton yarns, artificial silk piecegoods and artificial silk mixtures were further agreed to as being suitable from the point of view of the Indian and United Kingdom textile industries. The agreement was generally accepted by the Government of India as a satisfactory basis for a protective scheme for the Indian textile industry so far as competition from the United Kingdom was concerned and its terms were as far as possible incorporated in the Indian Tariff (Textile Protection) Amendment Bill, 1934, and accepted by the Legislature.

Continuance of the protection granted to the Steel industry.

The protection afforded to certain manufactures of iron and steel by the Steel Industry (Protection) Act, 1927, was due to expire on the 31st March 1934. Pending an enquiry by the Tariff Board into the question of continued protection to the industry which was not expected to be completed before April 1934, the Government of India extended the operation of the existing enactments until the 31st October 1934 by the Steel and Wire Industries Protection (Extending) Act, 1934.

Tea Restriction Scheme.

In a previous paragraph the improvements during 1933-34 in the Tea export trade due to the operation of the restriction scheme has

been noted. Some account of this scheme may now be given. In October 1932 the representatives of the Indian tea industry approached the Government of India asking their support to an international scheme for the restriction of exports of tea. The condition of the industry was precarious and the collapse of many concerns imminent. The Government of India expressed their willingness to consider any practicable scheme that might be put forward. A scheme which had the support of tea interests in the principal tea producing countries of India, Ceylon and Netherlands East Indies. was accordingly devised by an unofficial international Committee working in London and an agreement was reached. The principal features of the agreement were that the exports of tea would be restricted to a percentage of the maximum exports from each producing country in any of the three years, 1929, 1930 and 1931; that the restriction scheme would remain in force for 5 years commencing from the 1st April 1933; and that during this period existing areas under tea would not be extended beyond half per cent of the area planted on the 31st March 1933. The scheme in all its essential features was accepted by the Governments of the three countries concerned and the necessary legislation has been passed by all of them to implement the International Agreement. The Indian Tea Control Act, 1933, was passed in September 1933 but the restriction scheme was brought into effect from the 26th May 1933.

Negotiations for a Trade Agreement with the Irish Free State.

During the Imperial Economic Conference held at Ottawa in August 1932, the Indian delegation entered into conversation with the representatives of the Irish Free State as to the possibility of developing the trade between the two countries by means of a system of reciprocal tariff preferences. On the request of the Government of the Irish Free State, the Government of India decided in February 1934 that the negotiations commenced at Ottawa should be resumed. Sir B. N. Mitra, the High Commissioner for India, and Sir George Rainy were appointed representatives of India for the purpose of the negotiations. The negotiations which commenced in London on the 5th April 1934 have not yet been concluded.

Indian Trade Delegation to Afghanistan.

A Trade delegation was sent to Afghanistan by the Government of India towards the beginning of April 1934 with the object of examining in consultation with opinion in Afghanistan the directions in which it may be possible to foster and expand mutual trade between India and that country. The delegation spent about three

weeks in Afghanistan during which period they held meetings with the Afghan Trade delegation at Kabul, visited the bazaars there, and interviewed several merchants interested in Indo-Afghan trade. The delegation made similar investigations at Kandahar, Chaman, Quetta and Peshawar. Their report is under the consideration of the Government of India.

CHAPTER VII.

Finance.

Scope of Chapter.

The purpose of this Chapter is to give some idea of the financial position of India in 1933-34. After an appreciation of monetary conditions the remaining of the Chapter will be devoted to a more detailed exposition of India's budgetary position as revealed in the late Finance Member's budget speech of 27th February 1934, and in the speech of the Commerce Member introducing the Railway budget for 1934-35.

General features. International situation.

When the financial year 1933-34 opened the outlook was most unpromising and the attention of the world was concentrated on the efforts being made by the United States Administration to grapple with what was probably the severest banking crisis ever experienced by any country. At the same time, there seemed to be some hope that the chief trading nations were gradually recognizing that the problems of the depression, namely, falling prices, widely fluctuating exchanges, dwindling international trade, inter-governmental indebtedness, and the paradox of immense surpluses of material and productive capacity unutilisable on account of the fall in the world purchasing power might be solved by combined effort, or some temporary *modus vivendi* discovered, which would keep the channels of trade open until the natural forces of reaction imparted the expected upward impulse to the trade cycle. With this end in view a world Economic Conference of 64 nations was summoned to meet in London on the 12th June. The hopes based on this meeting were soon found to be illusory as it became clear within a few weeks of the opening of the conference that no common policy was likely to be formulated which would satisfy the widely different needs of the more important groups of nations. The conference actually broke down on the question of temporary currency stabilisation and its only definite achievement was an agreement amongst certain of the silver producing and silver holding countries designed to check a further fall in the price of the metal. The failure of the Economic Conference gave an impetus to the movement towards economic nationalism, and restriction schemes, quota systems, and higher tariffs became the order of the day. Two other problems for which

no solution could be found during the year were War Debts and Disarmament. In the United States, the vigorous action taken by the President early in March was having its effect, and confidence was returning. Following the prohibition of gold hoarding, gold returned rapidly to the Federal Reserve banks. The President then prohibited the export of gold, and authorised the Secretary of the Treasury to license transactions in foreign exchange. This, in effect, confirmed the departure of the United States of America from the gold standard. Congress authorised the Administration to fix the weight of the gold dollar in order to stabilise domestic prices or provide against the adverse effect of depreciated foreign currencies, and provided for the acceptance of silver up to two hundred million dollars in payment of foreign indebtedness for a period of six months. In August a further executive order directed that all private holdings of gold in the United States held by United States citizens must be tendered to the Federal Reserve banks against payment in legal tender currency, and a Government market for gold in the United States was established. The effect of all these measures was that dollar prices showed a steady improvement during the first half of the year, part of which was the direct result of the devaluation of the dollar, and part a consequence of a general rising tendency in world prices of commodities which was visible in that period. In December, however, the rise in prices showed a tendency to slow down and indices of business activity also showed signs of falling off. The value of the dollar increased in terms of gold, and to meet the new situation the Gold Reserve Act of the 30th January 1934, perhaps the most important piece of monetary legislation was enacted. This Act reduced the weight of the dollar to 59.06 per cent and, at the same time, a stabilisation fund of two thousand million dollars was formed from the profits derived from revaluation. The United States Government undertook to buy all gold tendered at the Mints at a fixed price of 36 dollars per ounce troy less the usual charges, and the Treasury was empowered to sell gold for export to foreign central banks at the same price whenever the exchange rates with gold standard countries reached gold export point. This measure marked the return of the United States to a gold standard at a lower level.

It is possible to record some improvement in economic conditions in most of the countries belonging to what is now known as the

sterling group. In the *United Kingdom,* in particular, although in the first few months of the financial year progress was extremely slow and confidence was shaken by the failure of the Economic Conference, an unmistakable change for the better manifested itself towards the end of the calendar year 1933. Industrial activity especially in the heavy industries expanded, unemployment decreased, exports revived and the general outlook was bettered by the stronger financial position of the Government and prospects of a surplus budget. Prices also showed an improvement by the end of the year and there were signs that once more trade was on the upgrade. On the other hand the countries belonging to the gold bloc were subjected to severe strain owing to fluctuations in the value of their standard caused by the devaluation of the dollar. *France* in particular had to contend with a high level of internal prices, falling exports, and difficulties in balancing her budget. Political trouble followed attempts to obtain budgetary equilibrium and cabinet after cabinet retired without being able to deal satisfactorily with the problem. Towards the end of the year the Stavisky *affaire* led to serious riots in Paris and the overthrow of the Government. Since then a Government including several parties has been formed on a more national basis and the problems of balancing the budget and reducing expenditure are being tackled with vigour. In the *Far East,* conditions remained practically unchanged. There was no diminution in Japan's industrial activity and the markets of the world were again subjected to the competition of heavy imports of Japanese goods at low prices, accomplished in spite of the fact that the value of the yen in terms of other currencies remained comparatively stable throughout the year. The legislative measures taken in India to cope with this Japanese competition will be referred to again.

Indian conditions.

The monsoon was on the whole good and well distributed although crops in certain parts of the country, notably the Central Provinces, Berar, and the United Provinces, were damaged by prolonged or excessive rain. Politically the country was free from internal excitement, except for sporadic terrorist outbreaks in Bengal, but towards the close of the financial year occurred the disaster of the Bihar earthquake, involving much loss of life and wide spread destruction of property. The general level of wholesale prices showed a slight gain in the year, but devaluation of the dollar

and the record rise in the price of gold in terms of sterling make any real comparison difficult; it is of interest to note however, that the gold value of commodities in Calcutta in December 1933 was 60 as compared with 71 in December 1931 and 61 in December 1932. Money was easy and the bank rate remained at 3½ per cent throughout the year. Three of the larger export crops, linseed, tea and shellac, showed very substantial gains during the year. The increased export of linseed was mainly to the United Kingdom and was a direct result of the preference over the Argentine obtained by India through the Ottawa Agreement; the better prices obtained for tea was due to the success of the restriction scheme, and the sugar industry showed continued improvement as evidenced by the fall in the tonnage of imported sugar. Against this the rice crop prices showed no improvement which particularly affected Burma, where it is estimated that in the last four years the income of the Province derived from the sale of surplus rice has fallen by Rs. 24 crores.

A feature of the year was the new tariff legislation undertaken. The Safeguarding of Industries Act referred to in last year's report became law on the 22nd April 1933, and the duty on piecegoods of non-British origin was raised from 20 per cent. *ad valorem* to 75 per cent by a notification issued in June. In accordance with the terms of the Indo-Japanese Agreement arrived at in January the duty on such piecegoods was subsequently lowered to 50 per cent *ad valorem*. In February 1934 an Act was passed amending the Indian Tariff Act, 1894, imposing duties on the import of several items of merchandise in order to protect indigenous industries found to be subject to undue foreign competition. As a measure of retaliation against the measures taken by the Indian Government to protect their markets which were being flooded with cheap Japanese products, certain cotton interests in Japan instituted a boycott of Indian raw cotton which lasted from July to December 1933. Prolonged negotiations between representatives of the Japanese and Indian Governments resulted in the signing in India of a new Trade Agreement to remain in force until the 31st March 1937. The agreement introduced for the first time the principle of linking imports of Japanese piecegoods on a quota basis with exports of Indian raw cotton and provided for the maximum rates to be imposed by the Government of India in customs on Japanese cotton goods. Reference must also be made to the unofficial negotiations

between a delegation representing Lancashire cotton interests and representatives of the cotton industry in Bombay. The Lancashire delegates undertook to endeavour to promote as far as possible increased use of Indian raw cotton in the United Kingdom, while the Indian cotton interests agreed, *inter alia*, not to make fresh proposals regarding the duties applicable to United Kingdom imports even if the existing general customs surcharge on all imports into India were removed.

Reserve Bank Act.

One of the most important enactments of the year was the Reserve Bank Act, II of 1934, which is intended to bring India into line with other important countries where the currency and credit system is controlled and regulated by Central Banks of Issue. The new Reserve Bank, which will be the bankers' bank of India, will be a shareholders' bank, with a majority of elected members in the directorate. It will eventually take over most of the functions of the currency department including the management of the note issue and reserve. It will be in a position to take an active part in influencing and controlling general banking activities in India. As the Imperial Bank of India will transfer to the Reserve Bank the responsibility for the Government Account, the public debt, and certain other functions which it performs now for the State, an amending Act has been passed by the Legislature, removing some of the limitations imposed on the bank in the original Imperial Bank Act. Of these one of the most important was the prohibition on dealings in foreign exchange. It is provided in the Reserve Bank Act that the Imperial Bank of India will continue to be the sole agent of the Reserve Bank in places where there is no branch of the latter bank.

The general financial position of the Government of India continued on the whole to improve during the year. Exports of gold on a large scale enabled Government to make large purchases of sterling over and above their immediate requirements, and the surplus of sterling assets thus acquired places the Government in a position to supply the sterling assets required by the Reserve Bank when it is constituted without further borrowing, and has also made it possible to replace in the Paper Currency Reserve the gold transferred to the Gold Standard Reserve in India in 1931 when securities in the latter reserve had to be drawn on to support the exchange. The improvement in the credit of the Government of

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India is witnessed by the level of prices of both rupee and Indian sterling securities and the ability of Government to borrow accommodation by short term treasury bills at record low rates while the new rupee loan, issued at 96 with a nominal rate of interest of 3½ per cent was quoted at Rs. 97.12 by the end of the year.

Gold exports.

The net exports of gold from India continued on a large scale throughout the year and were valued at Rs. 57,05 lakhs which was somewhat less than in the previous year. The total export of gold in the last 3 years has been approximately 47 per cent of the gold imported since 1920-21, and if allowance is made for the very large imports of gold prior to 1920-21, it is obvious that only a small fraction of India's total gold holding has been realised so far.

Silver.

Silver prices fluctuated considerably during the year and trading was very largely influenced by the views of speculators regarding the possibility of international action in the direction of the increased use of silver as currency, and rumours regarding changes in India's import duty and the possibilities of unilateral action by the United States Government in response to pressure from the silver producing interests in that country. Three important events connected with silver, and affecting India marked the year, (*a*) the London Economic Conference agreement entered into in July 1933 by the delegates of India, China and Spain as holders of large stocks or users of silver, and of Australia, Canada, the United States of America, Mexico and Peru as principal producers of silver; (*b*) the acceptance by the United States Government of 10,000,000 dollars in silver as part payment of the British War Debt instalment which enabled the Government of India to dispose of a substantial quantity of refined silver at a favourable price without in any way effecting the market; (*c*) the proposal of the Government of India to lower the duty on silver from 7½ annas per ounce to 5 annas per ounce with effect from 1st March 1934. In introducing his proposal for the reduction in the duty on silver the Finance Member pointed out, that for all practical purposes the imports of silver had ceased, primarily owing to the lack of purchasing power in the country. On the other hand the high duty was probably encouraging smuggling and attracting silver through gaps which existed in the Land Customs regime. This constituted a serious impediment to legitimate trade. He pointed out further that a reduction in the duty would take into account the general policy of Government, which was to cooperate with the United

States of America and other countries interested in silver, in measures designed to improve its price. It was considered that the lowering of the duty was unlikely to have the effect of disturbing local prices which were substantially under London parity after allowing for the duty.

The exchange rate and remittance to London.

Turning now to the question of Exchange and Remittance to the Secretary of State. The total amount of sterling purchased during the year amounted to £45,158,000 at an average rate of 1*s.*-6.071*d.* as compared with an average rate of 1*s.*-6.156*d.* in the preceding year. The weekly offer to purchase one million sterling by tender was maintained without interruption throughout the year. With the exception of one week in April, one week in September and a period of 7 successive weeks from the 17th October to the 29th November Government were able to effect purchases at 1-6$\frac{1}{16}$ each week. As in the previous year the mainstay of the rupee sterling exchange was the substantial export of gold. In addition, this year records a noticeable increase in the balance of trade in merchandise in favour of India and in the absence of the remittance cover, banks had to have recourse to Government for their requirements. The weakness of exchange from the middle of October until the end of November coincided with the discussions on the Reserve Bank Bill in the Legislative Assembly and a widespread political campaign coupled with propaganda in favour of the devaluation of the rupee. Speculators made extensive forward purchases of exchange, and gold exports were held up in view of the possibility of an increase in price. Owing to the general feeling of uncertainty created by these operations banks were unwilling sellers except at low rates and exchange fell gradually to 1*s.*-5$\frac{13}{16}$*d.* on the 18th November. This situation righted itself immediately when Government made it clear that they had no intention of accepting any amendments to the Reserve Bank Bill which would have the effect of altering the rupee sterling ratio. Small tenders at 1-6$\frac{1}{16}$ were received in the first three weeks of December and by the 28th December exchange was firm resulting in tenders amounting to £3,775,000 at that rate. During the last three months of the year exchange was very firm and large amounts of sterling were purchased both by tender and as intermediates. Large stocks of gold had accumulated in Bombay in anticipation of currency inflation in the United States and the devaluation of the dollar in February and the consequent record rise in the price of gold in London led to exceptionally heavy ship-

ments both to New York and London over a period of several weeks. Actually remittance to the extent of £17.6 million was effected between 15th January and 15th March.

Money conditions in India.

As regards money conditions in India the bank rate remained at $3\frac{1}{2}$ per cent throughout the year. This is the first time since the Imperial Bank was established that no change in the bank rate was made during the whole of the financial year and is an indication of the general slackness in the trade demand and the prevailing low level of prices of commodities. Money was in more demand towards the end of the year and in the first three months of 1934. This was largely seasonal but was accentuated by the fact that large quantities of gold were held up in Bombay against advances which tended to reduce the margin available for the finance of other commodities which were beginning to move at that time. The cash balance of the Imperial Bank stood at the high level of Rs. 18.62 crores in the last week of December and after falling to Rs. 11.89 crores in the last week of February had increased to over Rs. 12 crores by the last day of the financial year.

Public Debt.

To consider now the state of the Public Debt, India's unproductive debt was further reduced by about Rs. 2 crores during the year after allowing for a loss on sales of silver, and it amounts to only 16.4 per cent of the total. There was an increase of Rs. 12 crores in the total debt of India distributed equally between its internal and external debts. This increase is mainly due to loans to the provincial Governments and loss on sales of silver. In connection with the losses on the sales of silver it may be mentioned here that proposals for the setting up of a Silver Redemption Reserve and for amortisation of debt incurred through these losses have been under the consideration of the Government of India. The general policy underlying the proposal is that when the Reserve Bank takes over the assets of the Currency Department including the Gold Standard Reserve, the balance of the latter fund which was built up out of profits on coinage, should be set off against the amount of surplus rupees to be taken over by Government. Any balance remaining together with the loss already accrued on sales of silver will be treated as a debt incurred against silver. Under the Reserve Bank of India Act the bank will return to, or receive from Government, rupee coin against payment of legal tender value when rupees held in the reserve exceed or fall short of Rs. 50 crores. The full

nominal value of the rupee coin so returned or taken over by the bank will ordinarily increase or reduce the above debt. With a view to avoid the fluctuations in the "silver debt" a "Silver Redemption Reserve" will be constituted, from which the value of the rupee coin so returned will be paid, or to which the value of such coin taken over will be credited. This fund will grow out of the proceeds of sales of silver until its assets reach Rs. 10 crores. The balance in the fund will be invested in sterling securities and the interest thereon will be credited to revenue as a set off against the payments of interest on the debt pertaining to silver. Any excess over Rs. 10 crores in the fund will be taken direct into treasury balances to reduce the outstanding "silver debt".

A lump provision of Rs. 3 crores has been made in each of the years 1933-34 and 1934-35 for the reduction of debt from revenue. Of the amount applied to the reduction of debt during the year, a sum of about Rs. 1,77½ lakhs was credited to the depreciation funds of the 5 per cent 1929-47, 1939-44 and 1945-55 loans. During the year no purchases of these loans for cancellation were made but the entire amount at the credit of the Sinking Fund for the 5 per cent 1929-47 loan, amounting to Rs. 1,57¼ lakhs was transferred to revenue on redemption of the loan. The total balance of the funds for the 5 per cent loans 1939-44 and 1945-55 at the end of 1933-34 including interest on investments amounted to Rs. 7,23¾ lakhs of which Rs. 5,45½ lakhs remained uninvested at the end of the year.

The new rupee loan floated during the year was a 3½ per cent issue liable to income-tax and is repayable at par not later than the 15th November 1950 and not earlier than the 15th November 1947. The loan which was issued at 96 per cent met with a good reception. The total amount issued was Rs. 30,82 lakhs of which Rs. 15,60 lakhs were subscribed in the Cash section and Rs. 15,22 lakhs in the Conversion section. As a result of the above conversion operations Government have been able to reduce their liabilities for the redemption of loans during the next two years by Rs. 15,22 lakhs and. in addition, have converted Rs. 5,31 lakhs of the 4 per cent conversion loan of 1916-17, which would otherwise have had to be repaid in cash during the year. As regards sterling loans the first was an issue of 4 per cent Stock, 1948-53, at 97½ per cent for a total amount of £12,000,000. The stock is repayable at par on the 15th

December 1953 but either the whole of the stock or part thereof is redeemable at par after the 15th December 1948. The next loan took the form of a 3½ per cent Stock, 1954-59, issued at 97 per cent for a total amount of £10,000,000. The stock is repayable at par on the 15th December 1959, but is redeemable in whole or in part at par after the 15th December 1954.

During the year the Government repaid the 6 per cent Bonds, 1933-35 and 1933-34, the outstanding balances of which were £2.6 millions and £10 millions respectively, on the 15th June and 15th December 1933.

Prices of Indian Securities.

Although there were considerable fluctuations, prices generally were maintained at a higher level than in the previous year. When the year opened 3½ per cent paper was quoted at 88¼ but during the next three months there was a substantial drop the lowest point touched being 79½ in June. This was occasioned by a steady drop in the level of prices of securities in London including Indian stocks and the consequent selling of large amounts of scrip by local speculators. To meet this situation forward dealings were stopped on the Bombay Stock Exchange and thereafter prices showed a gradual recovery. In October owing to the failure of an important firm of Cotton Mill Managing Agents, weakness developed again and little improvement appeared until January 1934 when prices recovered and there was a rapid and substantial rise in the prices of Indian Sterling Stocks in the first three months of the calendar year which was followed by a corresponding rise in rupee securities and at the end of the year 3½ per cent paper was quoted at Rs. 88 $\frac{11}{16}$ and 4 per cent 1960-70 loan at Rs. 103⅛. The popularity of long dated investment stocks was a feature of the year.

The Budget of 1934-35.

Review of conditions from 1929.

Introducing the budget for 1934-35 in the Legislative Assembly on the 27th February 1934, Sir George Schuster, the late Finance Member briefly surveyed the course of financial affairs in India since 1929. He said...... " Whereas in the 10 years ending March 31, 1930, the value of India's exports and re-exports of merchandise averaged just under Rs. 326 crores, in 1930-31 that fell to just under Rs. 226 crores, in 1931-32 to about Rs. 160 crores, and in 1932-33 to Rs. 135½. Imports of merchandise though they did not fall quite in the same proportion as exports, owing to the well-known fact that private gold exports gave India a supplementary purchasing power; nevertheless fell very steeply from an average of Rs. 242 crores for

the ten years ending March 31, 1930 to Rs. 163 crores in 1930-31, Rs. 125 crores in 1931-32, Rs. 132 crores in 1932-33. In view of the extent to which we rely on customs import duties for revenue, the effects of this enormous drop must be obvious. At the same time our other main source of tax revenue income-tax was heavily cut into. Simultaneously with this crumbling of the foundations of our tax-revenue, there has been a heavy drop in non-tax revenue..... which fell from Rs. 30½ crores in 1923-24 to Rs. 19½ crores in 1929-30, and for 1934-35 is down to Rs. 5¼ crores. This has of course put a heavy strain on tax-revenue. Lastly, we have had at the same time to face serious losses of customs import duties for reasons other than the economic depression, namely, as a result of the operation of protective policies, especially as regards cotton piecegoods and sugar. Revenue was falling away too rapidly for us to keep pace with the situation, and in 1930-31 and 1931-32 we incurred deficits which were larger than the amount set aside each year for the reduction of debt. In the middle of the latter year, however, we took drastic emergency measures by way of retrenchment, cuts in pay, and taxation, the objective of which was that the position should be so restored by March 31, 1933 as not only to produce equilibrium for the future, but to create a soundly balanced position for the two years 1931-32 and 1932-33 combined. The net result is that over the two years combined we not only paid our way so far as budgetary income and expenditure is concerned, but in addition provided a sum of Rs. 3,53 lakhs for Reduction of Debt.

Summary of results of 1933-34.

As regards the current year, our revised estimates show that, leaving out of account the Reduction of Debt provision, we shall have a surplus of Rs. 4,29 lakhs. In the budget estimates we had hoped for a surplus of Rs. 25 lakhs after providing Rs. 6,88 lakhs for Reduction of Debt, so that the net result is Rs. 2,84 lakhs less favourable than our estimates. This deterioration is accounted for by a drop of Rs. 5,04 lakhs on revenue, partly balanced by a saving of Rs. 2,20 lakhs on expenditure..... As to currency reserves, the gold and sterling securities in the Paper Currency and Gold Standard Reserves amounted on September 21, 1931 to Rs. 57.82 crores against a note issue of Rs. 146 crores, or a proportion of 40 per cent. On March 31, 1934, we estimate that the position will be gold and sterling securities Rs. 106 crores, note issue Rs. 178 crores, percentage 60. There has thus been an increase in the value of our external

reserves since the crisis began of Rs. 48.17 crores..... As regards the floating and short-term debt position the results of our loan policy during the last three years represent a net improvement all round of about Rs. 5¼ crores per annum.

Prospects for 1934-35.

I must now turn to the prospects for 1934-35. Recently there has come upon one part of India a special disaster in the earthquake in Bihar but although this has had local consequences of a terrible nature it will not appreciably affect the economic position of India as a whole. There have been marked increases in the production of India's main money crops—jute, cotton, oilseeds and sugarcane and, so far as export crops are concerned the increased quantities seem to be finding a market. In all these respects therefore conditions have been such as warrant normal prosperity, and the only trouble has been the low level of prices. Here there is at least a sign of improvement in that the disparity between the prices of primary agricultural products and of manufactured goods had during 1933 got definitely smaller, while since the beginning of 1934 there has been a tendency towards rising prices and improved demand, notably in cotton. One therefore feels justified on all this evidence in entertaining some expectation of slightly better times next year. In confirmation of this there is on the whole a more optimistic feeling in the main business centres than was the case last year, while the recent steady increase in the goods traffic receipts on the railways and the improvement in our export figures are encouraging signs. On the whole we feel justified in anticipating a very moderate recovery in certain heads of customs import duties over the revised figures for the current year, while we have also allowed for an improvement of Rs. 20 lakhs in the jute export duty....."

Expenditure for 1934-35 and comparison with previous year.

Turning to expenditure, Sir George Schuster said..... "there is a very satisfactory reduction of Rs. 2,12 lakhs in the budget provision for next year as compared with the budget for the current year, and of Rs. 2,90 lakhs as compared with the actuals for last year (1932-33).....

The following items in the proposals for 1934-35 call for special comment: (*a*) under Civil Administration there is a net decrease as compared with the estimation of the current year of Rs. 3 lakhs, in spite of the fact that certain special new items have had to be included, such as increased expenditure in connection with Civil Aviation (Rs. 1½ lakhs), improvement of Broadcasting Service

(Rs. 1 lakh), additional grant to Imperial Council of Agricultural Research (Rs. 1 lakh). (*b*) under Defence the demand stands for next year at Rs. 44.38 crores. This is Rs. 4 lakhs less than the revised estimates for the current year and Rs. 1,82 lakhs better than the budget estimate..... The great demand was that we should get Defence expenditure down to the so-called Inchcape figure of Rs. 50 crores. Yet now we are nearly Rs. 6 crores below that..... (*c*) as regards Interest charges, including both Interest on Ordinary Debt and Interest on Other Obligations, we have to provide next year Rs. 45 lakhs less than was allowed for in the budget of 1933-34, but Rs. 68 lakhs more than we are allowing in the revised estimates, and as against the latter increase we are providing Rs. 58 lakhs more on War Debt and Rs. 50 lakhs more on Post Office Cash Certificates..... Summing up the salient points I may state the position on the basis of which I have to frame proposals for next year as follows: We expect to close the current year, after providing Rs. 3 crores for Debt Redemption, with a surplus of Rs. 1,29 lakhs which we propose to transfer to a special fund for earthquake relief measures. For next year, basing my comparison on the net figures of Revenue and Expenditure, our position will be Rs. 2,82 lakhs worse, that is to say, Rs. 2,80 lakhs worse as regards revenue, and as regards expenditure Rs. 2 lakhs worse. In order therefore to provide an even balance for 1934-35 it is necessary to find means of improving the position to the extent of Rs. 1,53 lakhs."

Detailed proposals for 1934-35.

This task, however, as the Finance Member went on to explain, was not solely one of devising means to find this sum. The emergency plan introduced in September 1931, which was designed to restore equilibrium for a limited period up to March 31, 1933, included certain surcharges on protective duties, and though the surcharges had produced something like the revenue expected they were not necessarily intended to be permanent, and the general plan required re-examination, with a view to seeing that the situation created by high surcharges on what was already a high level of revenue duties was not such as to produce diminishing returns or to have an undesirable protective effect in the case of articles not eligible for protection. The plan had been extended without alteration for another year after March 31, 1933, in the hope that a general economic recovery would materialise. Hopes had, however, not been fulfilled and the policy had therefore to be carefully reconsidered.

The position with regard to sugar presented special difficulties; protective duties and the surcharge had operated to diminish imports and consequently customs duties thereon very substantially, and the very rapid expansion of sugar factories threatened a real danger of over-production which might in the long run lead to very serious reactions both on the manufacturing industries and on the cane growers. Under the surcharge system, moreover, cane growers were apparently not getting the full advantage which Government intended them to have. Sir George Schuster said..... "After careful consideration of all these points we have decided to propose a dual policy; on the one hand the imposition of an excise duty on factory produced sugar, and on the other hand the introduction of legislation by the Central Government which will enable the provincial Governments to apply schemes for enforcing a minimum price for cane to be paid by the factory to the grower".

After dealing with the question of surcharges on other items in the tariff schedule including manufacture of tobacco, and silver, where certain adjustments and reductions were proposed, the Finance Member went on to make proposals in regard to the abolition of the export duty on raw hides, with a view to encourage export trade, and the reorganization of rates in the Posts and Telegraphs Department so as to make them more attractive to the public. The net results of these taxation proposals he then summarised as follows: "The proposals which I have mentioned, namely, Sugar Excise net revenue Rs. 1,40 lakhs, Tobacco duties Rs. 30 lakhs, Silver Rs. 4 lakhs, less the loss of Rs. 5 lakhs on the abolition of the export duty on raw hides, should produce a net improvement in revenue of Rs. 1,69 lakhs which will cover the deficiency of Rs. 1,53 lakhs and leave us with a small surplus of Rs. 16 lakhs".

Two other important matters in the financial proposals for 1934-35 then claimed attention, namely, financial assistance to Bengal and the plan for dealing with the damage caused by the Bihar earthquake. In regard to Bengal Sir George Schuster said..... "While our own financial position has been maintained in the sound manner which I have described, we have to recognize that the financial position in India is not merely a question of the Central Government budget, but that provincial finances also closely concern us, ... and we have also in these days to consider our policy with some regard to the various proposals for Federal Finance which are

such an important part of the constitutional plan..... The need for some special help to Bengal has been recognized in the White Paper, and the Government of India is also prepared to accept a similar conclusion..... We propose to ask the Legislature to sanction the imposition of an excise duty on matches and then, if we can strengthen our resources in this way, to approve our handing over half the jute export duty to the jute-producing Provinces, which of course means chiefly Bengal, but will also include to a smaller extent Bihar and Orissa and Assam..... I must make it quite clear that the whole of these proposals must be regarded as purely of a provincial nature to deal with the immediate situation and as in no way creating a permanent arrangement which could be regarded as anticipating the final decision of Parliament in this matter..... We estimate that in a full year the total proceeds of this excise duty over the whole of India will be three crores. It will not, however, be possible to introduce this scheme so as to recover more than 11 months revenue during the first year". Sir George Schuster explained that a rateable proportion of the proceeds of the duty would have to be allowed to Indian States for cooperating in the All-India scheme and a portion to Burma for a specific reason and said..... "the balance available will be Rs. 1,92 lakhs which is only Rs. 3 lakhs more than Rs. 1,89 lakhs to be distributed on account of half the jute export duty. If this 3 lakhs is retained by the Central Government, the surplus of Rs. 16 lakhs, to which I referred in an earlier passage, will be increased to Rs. 19 lakhs".

Summary of financial aspect of Bihar earthquake.

Since a separate Chapter of this report is devoted to a description of the Bihar earthquake, and to its effect and measures taken for reconstruction, it will be sufficient in this Chapter to sum up briefly the situation from the point of view of Central Government finances in the words of the Finance Member..... "I may sum up our proposals and their effect on our financial estimates as follows. We are undertaking to bear the whole cost of restoring the property and finances of the local bodies, which we put for the present at something over a crore, and the whole cost of the special measures for dealing with the cane crop, which we put at about five lakhs. We propose to meet this expenditure from the special fund to which this year's surplus, now estimated at Rs. 1,29 lakhs, will be transferred; and we expect to spend Rs. 75 lakhs from this fund to the end of 1934-35. We are also undertaking to bear half the cost of

restoring the provincial Government's own buildings and other public works; this, on present estimates, we expect to cost us about fifty lakhs, which we mean to provide from funds raised on loan, and have allowed for in next year's Ways and Means estimates ".

Ways and Means.

Outlying the Ways and Means position the Finance Member said..... " We have succeeded in maintaining throughout the year the improvement in our credit both in England and in India with the result that we have again been able to fund a much larger amount of our loan commitments than what I indicated in my budget speech last year. We have also been able to remit more than we anticipated, thereby further strengthening our currency reserves..... As regards remittances for 1934-35, though our estimates are based on the assumption that in the current year we will be able to purchase £37.46 millions, that figure may be materially exceeded. We have also assumed that no expansion or contraction of currency will be required during the year. On these assumptions we will be able to continue the process hitherto followed this year of utilising the whole of the surplus of our remittances to England in strengthening our external currency reserves. We should be able in the current year to replace rupee securities with external assets in the Paper Currency Reserve to the extent of Rs. 17,73 lakhs, which means that we should close the year with our note issue covered by external assets to the extent of about 60 per cent if gold is taken at its statutory value, or of 75 per cent if it is valued at its present market price.

Loans.

In my last budget speech I estimated that we could effect a further reduction of Rs. 8 crores in our outstanding of treasury bills; that on the assumption that we converted Rs. 30 crores of our outstanding loans, we would only require to borrow Rs. 4 crores in India; and that in order to repay the £7 million loan we should require to raise only £6 millions or Rs. 8 crores in London. We expect by the end of the year to have replaced Rs. 17,73 lakhs of treasury bills in the Paper Currency Reserve by sterling securities. On the other hand our increased sterling remittance which naturally meant that we had to raise rupees to pay for it, has resulted in our increasing instead of decreasing the amount of treasury bills held by the public in India. Instead of a reduction of Rs. 8 crores we contemplate an increase of Rs. 3,91 lakhs to Rs. 30 crores. We consider this a reasonable amount, which, so far from being embarrassing, is

rather a convenience both to us and to the market—to us because we are able to borrow in this way at a very much cheaper rate than on funded loans, and to the market because they have now made the Government treasury bill a part of their financial machinery.....

Capital expenditure: Railways 1933-34.

Railway capital outlay for the current year is again less than the budget, amounting to Rs. 45 lakhs as compared with the budget estimate of Rs. 3,30 lakhs. The net effect on the Ways and Means position of the Railways is Rs. 2,55 lakhs more favourable. Rs. 7,78 lakhs had to be withdrawn from the Depreciation Fund balance to make up full interest charges, Rs. 6 crores for ordinary expenditure on renewals and Rs. 9 lakhs for loans to branch line companies, and as the credits to the Fund were Rs. 13,60 the net result in 1933-34 was a reduction of Rs. 27 lakhs, as against an addition of Rs. 3 lakhs anticipated in the budget, leaving a balance at the end of the year Rs. 11,79 lakhs as against Rs. 12,06 on the 1st April 1933.

Provincial drawings.

Provincial drawings for the current year were slightly less than those estimated in the budget, namely, Rs. 4 crores as against Rs. 4.37. To a certain extent this is due to the reduction in the rates of interest charged to provincial Governments on their borrowings from the Provincial Loans Fund made possible by our successful conversion operations.....

Capital expenditure: 1934-35.

For the purposes of our estimates we have proceeded on the same lines as last year, though a less rigid policy is being followed by the Railways. We are budgeting for Rs. 4,68 lakhs as Railway capital outlay. We are also allowing Rs. 6,25 to the Provinces as compared with Rs. 4 crores during the current year. Rs. 2,75 lakhs of this will represent our estimate for the capital funds required in the course of next year for expenditure on the restoration of earthquake damage.

Borrowing programme: 1934-35.

With this low capital programme we are obviously in a very strong position..... The only securities actually maturing for repayment next year are the $4\frac{1}{2}$ per cent Bonds of which Rs. 12,98 lakhs have already been converted during the current year, leaving a balance of Rs. 13,00. In England there is nothing. If we allow for receipts of Rs. 11,50 lakhs from the Post Office Cash Certificate and Savings Bank deposits as against Rs. 16,90 during the current year, this will mean that after taking into account the 2.85 million balance of the $3\frac{1}{2}$ per cent sterling loan which has still to be paid

up, we will not require to float any regular loan either in India or in England. These figures merely indicate our obligatory position. We have two large loans which we have the option to repay in London in 1935 and 1936 amounting to £29 millions or nearly Rs. 40 crores. We have also the 4 per cent loan 1934-37 in India amounting to Rs. 19,54 lakhs, the 5 per cent 1935 Bonds amounting to Rs. 11,43, and the 6½ per cent Treasury Bonds also payable in that year amounting to slightly over Rs. 16 crores which it may be possible to convert if conditions are favourable.

Home charges.

In the early part of the year exchange was very steady, enabling us to effect substantial remittances. In the third quarter of October to December there was a falling off owing partly to the seasonal demand for money being later than usual, and partly to a temporary falling off in the exports of gold coinciding with speculation on the occasion of the discussion of the currency clauses in the Reserve Bank Bill..... As already explained, we have, for budgetary purposes, shown a figure of £37.46 millions of which we had already received up to February 20th over £36 millions as against our budget estimate for the whole year of £21 millions. We have devoted the balance to a further strengthening of our currency reserves. In addition, we received 3.81 millions from the sale of silver. For next year we estimate that we will have to purchase 26.7 millions to fit in with the programme indicated above ".

Economic prospects.

Having discussed the actual budget proposals, the Finance Member proceeded to review the economic position of India. He said that the Government of India hoped by their financial policy to be able to preserve conditions of cheap money which would in themselves be an encouragement to commercial and industrial enterprise. They hoped also to preserve stability of currency and to be able thereby to sustain their power to finance capital expenditure on sound projects by the various Government authorities in India. Turning to the question of agricultural conditions in India, Sir George Schuster said that it was generally agreed that the paramount need was to raise the level of prices of agricultural commodities. Disregarding as unsound and unreliable such devices to achieve this end as depreciation of the rupee, he indicated the three main problems and the practical method of dealing with them. First, how to deal with the increase in the real burden of the fixed money payments of the agriculturist due to the fall in prices and

the accumulation of the debt which is resulting therefrom; secondly, how to increase the internal demand for India's agricultural produce and thirdly, how to improve the external demand.

As to the first, remissions in land revenue and water rates and other measures taken by provincial Governments, together with the elasticity of the ancient money-lending system, had combined to afford some relief to the agriculturist, so that his condition though precarious was not yet disastrous. Provincial Governments in the meantime were engaged in a consideration of the problem of indebtedness. As to the second point, the problem resolved itself into one of stimulating internal purchasing power by the development of Indian industries and expansion of markets at home and abroad. A further method under consideration was expenditure on public works and the Finance Member instanced increased allotments for railway works in the budget for 1934-35, the reopening of the Delhi Capital Building Project and stimulation to the Provinces to consider road construction and other development programmes. Finally, in regard to improving external demands, the most difficult problem of all, since its solution did not depend on action taken by India alone, the obvious methods were agreements between groups of nations designed to facilitate mutual trading, (such as the agreement recently effected with Japan which had secured the market for a large part of India's exportable surplus of cotton), and the improvement in the quality and grading of Indian products to ensure their position in world markets. To achieve this last, Sir George Schuster stated that Government had recently set up a Central Bureau for Economic Intelligence and Statistics and had engaged the services of two experts from England to advise* Government on the question of obtaining more accurate and detailed statistics than are at present available in India.

The Railway Budget.

Next to customs the income from railways forms the largest source of Indian revenues and since railway finances are separate from the general finances of India, and a separate budget statement is presented annually to the Assembly, it is necessary in order to complete this review of the financial position of India, to examine briefly the railway budget for 1934-35. In introducing his budget Sir Joseph Bhore, the Commerce Member, said.....

*The report of Dr. A. L. Bowley and Mr. D. H. Robertson on "A Scheme for an Economic Census of India" has since been published.

Financial results of 1932-33.

"When I presented the railway budget last year, I anticipated a deficit during 1932-33 of Rs. 9⅓ crores. The actual loss due entirely to a fall in traffic receipts was unfortunately larger. The total loss of Rs. 10¼ crores was met by a temporary loan from the depreciation fund which, after this transaction, was left with an actual balance of just over Rs. 12 crores. The total loans made from the fund to cover deficits amounted at the end of the year to Rs. 14½ crores.

Revised estimates for 1933-34.

We budgeted for an income during the current year from all sources of Rs. 89¼ crores and for a total expenditure including depreciation, of just over Rs. 64 crores, which would have brought our net revenue to nearly Rs. 25¼ crores. We now anticipate that our receipts will bring us in Rs. 88¾ crores instead of Rs. 89¼ crores, while our expenditure will remain at about the anticipated figure, thus bringing our net traffic receipts to Rs. 24¾ crores. As our interest charges will amount to Rs. 32½ crores, the deficiency for the year will aggregate Rs. 7¾ crores including the loss of Rs. 2 crores on strategic lines, and this will be met again by a temporary loan from the Depreciation Fund, which will now show a balance at the end of the year of Rs. 11¾ crores, as against Rs. 12 crores at the beginning of the year..... The traffic in 1933-34 has been well above the previous year, though we may not be able to reach our original estimates. But though our revised estimate of receipts is half a crore below our original anticipations, it is over Rs. 2 crores or 2½ per cent higher than the figure of last year. It is noteworthy that our goods earnings during the current year are now expected to be nearly Rs. 3½ crores, or about 6 per cent above our earnings in 1932-33. But for a serious fall in our passenger earnings, we should have had a still better tale to tell of the results of the year. Our passenger earnings are now expected to be about a crore, or nearly 4 per cent below what we earned in 1932-33".

Discussing working expenses the Commerce Member said these would probably have been slightly lower than the original estimate, but for disasters of unparalleled magnitude, which had occurred during the year. The Bihar earthquake had caused damage which he then estimated would be between three-fourths of a crore to one crore, while floods in the Ganges had endangered the protective works of the Hardinge Bridge on the Eastern Bengal Railway, and the cost of repairs would be well over a crore and might probably reach

a crore and a half. As to the method of meeting all this extra expenditure he said..... "we have come to the conclusion that, in all the circumstances, it is reasonable and proper not to debit expenditure of this nature to current revenues during such a short period as 2 or 3 years but to distribute it in instalments over a longer period. We, therefore, propose to debit the whole expenditure initially to the Depreciation Fund and repay it out of revenue in annual instalments of Rs. 15 lakhs a year till complete repayment is made, which, we hope will not take more than ten years".

Budget estimate for 1934-35.

Turning to the budget estimate for 1934-35 the Commerce Member continued..... "We estimate our total receipts from State lines next year at Rs. 91¼ crores and our total expenditure including depreciation at Rs. 64½ crores. With our interest charges estimated at Rs. 32 crores, the total deficiency should be approximately Rs. 5¼ crores. A loan of this amount from the Depreciation Fund would leave that fund in credit to the extent of Rs. 11½ crores at the end of the year, as compared with Rs. 11¾ crores at the beginning of the year. We think we shall not be unduly optimistic in estimating, for next year, an increase in traffic receipts to the extent of Rs. 2½ crores, an improvement of 3 per cent on our figures for this year. The steady upward trend in our goods earnings this year justifies us, we believe, in the hope that at last we are fairly on the road to recovery, though it would be rash to anticipate any rapid progress as yet along that road. We expect our working expenses to be a little higher than during the current year..... the total increase we place in the neighbourhood of a quarter of a crore and this is mainly the result of the normal increments earned by staff on time-scales of pay."

The Commerce Member emphasized the intrinsic strength of the financial position of the Indian railways. He pointed to the series of deficit budgets, beginning with Rs. 5 crores in 1930-31, and increasing to Rs. 9¼ crores in 1931-32, and to Rs. 10¼ crores in 1932-33, and explained how even in 1932-33, the worst year of this period, net revenue amounted to Rs. 23¼ crores and during that year a sum of Rs. 7¼ crores more than was actually required to be withdrawn for current expenditure on renewals and replacements was put by to depreciation. Earnings in this year only fell short by one crore of the 31½ crores required to pay the full interest on the capital charge..... In regard to the years 1933-34 and 1934-35, he

said..... "our estimate of net revenue from all sources is Rs. 25¼ and Rs. 27¼ crores respectively. If payments to the depreciation reserve were confined to what was needed to meet our urgent and necessary requirements, our net revenue in each of these two years would be over Rs. 32 crores and would exceed the sum necessary for our interest charges on commercial lines by a crore and a half.

Capital expenditure.

..... We propose a total expenditure of just over Rs. 14 crores, of which we expect to find three quarters of a crore by a further reduction in stores balances. Except one small new line of five miles, costing Rs. 3 lakhs on the South Indian Railway, to which we are committed as part of the arrangements made when the Tanjore District Board Railway was transferred to Government some years ago, the small expenditure of Rs. 11 lakhs provided is merely to complete lines started long ago..... As regards open line works, our programme includes Rs. 4¾ crores for track renewals, and Rs. 3¼ crores for rolling stock in addition to Rs. 1½ crores for works in progress. The amount provided for new works is under Rs. 4½ crores. Of this, a sum of about Rs. 1¾ crores is required for repairs and additions to the protection works of the Hardinge Bridge to which I have already referred and for repairing earthquake damages..... Another item of importance is the remodelling of part of the Jamalpur Workshops on the East Indian Railway where, as a measure of economy and efficiency, it was intended to concentrate heavy repairs to engines. This was originally initiated as a remunerative project, but it has since been rendered imperative by the demolition of some of the existing shops by the recent earthquake."

Reference has been made in another Chapter of this report to the steps taken by Government to co-ordinate road and rail transport and to the conference convened at Simla in April 1933 to consider the problems involved. Referring to this subject the Commerce Member disclaimed any desire on the part of the railways..... "to maintain, at any cost and by any means, a monopolistic position from which to exploit the public..... they recognize the inevitability of competition and appreciate the fact that they must meet it largely by better and more attractive service. But what in the interests of the country they are chiefly concerned with, is the elimination of wasteful competition and the utilization of the available resources of the State to the best possible advantage of the public."

After referring to the proposed Statutory Railway Authority, which he said..... "must be regarded as a matter of first importance to the future administration of railways in India....." Sir Joseph Bhore concluded with the view that there was justification for the hope that better days were at hand..... "Such improvement as our revenues have shown in the current year has been persistent and well maintained. The steady enlargement of our goods traffic is an indication that trade and confidence are beginning to revive. If we have still far to go before we can reach normality, we can at least face the coming year with renewed hope and lighter hearts."

CHAPTER VIII.

Health and Education.

Scope of Chapter.

Public health and education are primarily the concern of provincial Governments but the Central Government still exercises certain residuary functions in connection with these subjects. As regards public health, these functions consist generally in dealing with infectious diseases by preventing their introduction from outside by land or sea, their spread from Province to Province within the country, or their dissemination from India to other parts of the world. In education, the Government of India's main responsibilities relate to areas which are centrally administered (until it became a Governor's Province in April 1932, the North-West Frontier Province was the most important of these areas) and to Chiefs' Colleges, the University of Delhi and the denominational Universities of Benares and Aligarh. In this Chapter we shall deal solely with such aspects of public health and education as are from their nature matters of "All-India" concern or are directly controlled by the Government of India.*

Public Health. Retrenchment.

We have mentioned in previous reports the retrenchments made in 1931-32. The effect of these on the Central Health organization became more fully apparent in the past year, and, as the following pages will show, these economies have operated to curtail many desirable undertakings in the field of medical research as well as in administrative activities. In the Central Provinces the amalgamation of the posts of Director of Public Health, and Inspector-General of Civil Hospitals, continued during the year under review.

Epidemic diseases. Cholera.

To deal now with the epidemic diseases. During 1933 deaths from this cause totalled 68,318 or 1,099 more than in 1932. The death rate was 0.3 *per mille* as compared with 0.2 *per mille* in the previous year. Although the increase was small, the trend of incidence during the succeeding twelve months shows that the usual

*It must be understood that the statements made here on Medical matters are provisional. Authoritative pronouncements on these subjects are contained only in the annual report of the Public Health Commissioner with the Government of India (the latest of which, at the time of writing, relates to the year 1932), and associated publications.

cyclic increase is in process but so far this is of mild intensity. Of the total, 29,242 deaths were registered in Bengal Presidency, which continues to live up to its reputation as the home of cholera. The death rate was the highest in Assam, *viz.*, 0.7 *per mille*, the infection being severe in the rural areas. The other Provinces in order of priority were Bengal 0.6; Bihar and Orissa 0.5; Bombay 0.4; Central Provinces 0.1; and Madras 0.1. In the United Provinces, Punjab and Burma the incidence was mild or sporadic, whilst the North-West Frontier Province, Delhi, Coorg and Ajmer remained completely free. 64,061 deaths were recorded in rural areas and 4,257 in urban areas. Although a peak incidence is reached between the months of June and September, this year the maximum mortality occurred in April, when nearly 80 per cent of the total deaths occurred in Bengal alone. A low autumnal rise in the Peninsula and the Deccan was a notable feature and the increased incidence in the latter months of 1933 was due to an outbreak in Cuttack district in Bihar and Orissa, lasting from August to December.

Smallpox.

The marked reduction in incidence recorded in the preceding two years was not maintained and the number of deaths increased from 44,925 in 1932 to 1,03,641. The increase was not due to any severe local epidemic but was common to almost all Provinces with the exception of the Central Provinces and Berar, Assam and Burma. Low or sporadic incidences recorded in the latter group of Provinces however counter-balanced the effect of the severity of epidemics which occurred notably in Bihar and Orissa, Delhi and Ajmer-Merwara. Following a period of five years of quiescence, Bihar and Orissa experienced the most severe epidemic in the districts of Puri, Cuttack and Gaya, the recorded provincial death rate being 1.1 *per mille*. The only other comparable annual figure for this Province was 1.0 *per mille* each in the years 1926 and 1927. The peak of the mortality curve occurred in April and May and the minimum in October and November.

Plague.

The upward trend in the mortality curve evidenced during the years 1931 and 1932 was checked, the number of recorded deaths diminishing from 46,504 in 1932 to 42,631. All the Provinces shared in the decrease except the Bombay and Madras Presidencies. Northern India comprising the three most important foci of infection, *viz.*, Punjab, United Provinces and Bihar and Orissa and Coorg

recorded mild incidences, whilst Delhi, Bengal, Assam, Burma and Ajmer-Merwara remained completely free. In the Bombay Presidency the districts most affected were those of the Deccan, *viz.*, Belgaum, Bijapur and Dharwar, and in Madras Presidency the disease was particularly severe in Bellary district. In the United Provinces the mortality was the lowest on record since 1924; in the Punjab, infection persisted in the four submontane areas particularly the districts of Hoshiarpur and Gujrat. Maximum mortality was recorded in the month of December and the minimum in June.

Kala-azar.

In Assam, cases treated have fallen from 49,385 in 1926, when the Kala-azar Commission was first appointed, to 12,650 in 1933, and the recorded deaths from 4,176 to 749. This disease has been practically eradicated from some areas of the Province. In Bengal, the number of deaths increased from 10,720 in 1932 to 13,447.

Venereal diseases.

As explained in previous reports the estimate of prevalence of this disease can only be based on the number of attendances at hospitals and dispensaries, and should not be accepted as more than an estimate. In British India nearly 90 of every 10,000 cases attending these institutions, suffered from venereal diseases. Burma with 170 cases per 10,000; Madras Presidency and Delhi with 130 each; Bombay with 120; Bihar and Orissa with 100 reported the highest incidences, whilst the Punjab, Baluchistan and Coorg reported the lowest.

Leprosy.

The report of the Indian Council of the British Empire Leprosy Relief Association for 1933 shows that steady progress is being made in the campaign against leprosy. The Indian Council, which was inaugurated in 1925, and has an endowment fund of over Rs. 22 lakhs yielding an annual income of about Rs. 1.12 lakhs, had at the end of 1933, 17 provincial and State branches; its achievements, built up by years of labour of the scientist, the propagandist, the doctor and the social welfare worker, have gained for the Association a position of strength and importance in the field of public health work in this country. Knowledge of the causation, prevention and treatment of leprosy is now more widespread and the means of obtaining proper treatment is within a more easy reach of the patient than a few years ago. More and more is the value of social workers acting in close cooperation with doctors in all campaigns against disease and in the improvement of public health coming to be realised. For the success of the leprosy movement, amply de-

monstrated by outstanding results in parts of the Madras Presidency in the year under report, such cooperation is essential; superstition, the *purdah* system, ignorance, and apathy largely due to poverty, are serious obstacles which social workers can do much to overcome, in addition to spreading propaganda and collecting funds. An appreciation of the extent of this problem can perhaps be realised from the fact that, more intimate knowledge of leper life in villages has shown that the number of lepers is far greater even than that indicated by the 1931 census returns, often five times as great. During the year under report provincial branches in Assam, Bengal, Bihar and Orissa, Bombay, Burma, Madras and the Punjab made considerable advancement, notably in the establishment of clinics, and the Tropical School of Medicine in Calcutta continued its research activities and the training of medical officers for leprosy work.

Medical research.

We may now turn to a consideration of medical research work during the year. The Indian Research Fund Association received the same reduced grant-in-aid of Rs. 1.50 lakhs as in 1932-33, further economies had, therefore, to be observed and even with the assistance of Rs. 4 lakhs from accumulated funds, fewer enquiries than in the previous year were possible, while several investigations in progress including determination of haemoglobin in health and in anaemias, on diabetes, on the blood changes in certain tropical diseases, had to be discontinued. The 31 enquiries undertaken at an estimated cost of Rs. 6.88 lakhs included, investigations into problems relating to cholera, plague, malaria, anti-rabic vaccines, kala-azar, tuberculosis, leprosy, helminthological and nutritional diseases, the use of bacteriophage in dysentery and cholera, maternal mortality in child birth, anaemias of pregnancy, skin diseases, filariasis, cancer, etc. Researches were also carried out on the value of certain indigenous drugs and on the causes and effects of drug addiction.

The Association continued its grants towards the cost of two professors at the School of Tropical Medicine, Calcutta, and the salary of the Director of Leprosy enquiries, also the grant of Rs. 15,000 to the Assam Medical Research Society in connection with the investigation of malaria problems of that Province, and contributions of £100 and £150 respectively, to the Imperial Institute of Entomology, and Bureau of Hygiene and Tropical Diseases, London.

The eleventh conference of Medical Research Workers to discuss the general policy of research work in India, was held in Calcutta

from 27th November to 2nd December 1933. The Scientific Advisory Board of the Indian Research Fund Association met after the conference to examine its recommendations while reviewing the programme of medical research for 1934-35. The original scheme for the formation of a Cholera Commission, mentioned in the 1930-31 issue of this report, has been abandoned on financial grounds; in its place the Governing Body of the Association, on the recommendation of the Research Workers Conference and the Scientific Advisory Board, had sanctioned a number of additional enquiries on cholera which will be co-ordinated with those already in progress, by a small Cholera Advisory Committee. The importance of cholera research in India and the increased interest shown by international public health bodies in regard to this disease, made it inevitable that further research should be initiated.

The All-India Institute of Hygiene and Public Health, Calcutta, which was opened in December 1932 has now been fully equipped with the staff required for its present activities; only the post of Assistant Professor of Public Health Administration remained vacant as no suitable candidate had been found.

General Medical Council.

The history leading up to the proposal to establish an All-India Medical Council has been described in previous issues of this report. A Bill implementing this proposal was introduced in the Legislative Assembly in 1932 and referred to a Select Committee in April of the following year. The Select Committee deleted the provisions of the original Bill relating to the establishment of an All-India Medical Register, and the Bill was finally passed and became law on the 23rd September 1933. Local Governments had since been asked to arrange for the nomination and election of members of the Medical Council, which has now been constituted and begun its work.

***Haj* Pilgrimage.**

It will be recalled that an Enquiry Committee was appointed in 1928 to investigate facilities provided for Indian pilgrims proceeding on *haj* from Calcutta, Bombay and Karachi to the Hejaz. The Committee's report published in 1930, led to the establishment of a Standing Committee on pilgrimage which has since reached important decisions on the recommendations of the Enquiry Committee, some of which have found expression in Bills passed by the Assembly. The provisions of the Bill to amend the Indian Merchant Shipping Act, 1923, were brought into force in August 1933, and new rules under the Act relating to the pilgrim traffic were framed

the same year. The Port *Haj* Committee's Act, 1932, found effect in the establishment of Port *Haj* Committees in Calcutta and Bombay in January and February of 1934, and rules framed under the Act by the Bengal and Bombay Presidency Governments have been issued. Reference was made in our report last year to the recommendations of the Select Committee, to whom the Bill designed to regulate the activities of persons in British India who offer to assist Muslim pilgrims to the Hejaz, was referred, that the Bill should not be proceeded with. The Government of India thereupon sought the further advice of the public and the Governments of Bombay and Bengal on the merits of the Bill, as amended by the Select Committee. The Legislative Assembly in a motion adopted in September 1933 again referred the Bill to the Select Committee and the report of this Committee was presented in August 1934. The Bill could not, however, be proceeded with further during the Simla session of 1934 and therefore lapsed. A fresh Bill on the subject was introduced in the Legislative Assembly in January 1935. Another recommendation of the Enquiry Committee has been given effect to in the proposal of the Government of Bombay, to convert a shed in the Princess Dock at Bombay, into a medical examination and waiting hall for pilgrims. The proposal has been sanctioned and a provision of Rs. 8,500 made in the budget for 1934-35. As in previous years a revised edition of the "Guide for Pilgrims to the Hejaz" in English and Urdu, was issued for free distribution. 353 destitute Indian pilgrims, stranded at Jedda on the conclusion of the pilgrimage without the means of returning to their homes, were repatriated at a cost of about Rs. 14,600.

International Cooperation in public health and medical matters.

The Government of India maintained their interest in international cooperation in medical and public health matters, and were represented at the sessions of the *Office International d'Hygiene Publique* held in Paris in May and October 1933. An official of the Medical Research Department of the Government of India, on foreign service under the Indian Research Fund Association attended the Second International Conference on Goitre held at Bayonne in August 1933. Other notable events of the year which may be mentioned were the 6th English Speaking Conference on Maternity and Child Welfare, held in London in July 1933, at which Rajkumari Amrit Kaur represented the Government of India, and the first meeting of the General Council of the International Relief Union

held at Geneva in the same month, at which the Assistant Secretary of the Indian Red Cross Society was nominated as the representative of India.

The drugs problem.

Problems that arise from the abuse of intoxicating drugs is another subject of international concern and may conveniently be considered next. The opium policy and the work of the conference, which met in Simla in 1930 to consider the reports of Committees appointed by certain local Governments to enquire into the use and abuse of opium in specified areas, has been described in a previous issue of our report (1930-31). As regards the export of opium, the Government of India's policy is governed by international agreements, but has actually gone considerably further than these require. In 1926 it was announced that exports of opium, for other than medicinal and scientific purposes, would be reduced by 10 per cent per annum until they ceased altogether. Poppy cultivation in 1932-33 was about 15.3 per cent of the area sown in 1912-13 (the last year before exports to China were stopped), and about 38.3 per cent of the area sown in 1925-26 (the last year before the policy of steady reduction in other exports was adopted). Poppy-growing is now almost confined to the United Provinces, where the area in 1932-33 was 27,227 acres against 37,012 acres in the preceding year.

Legislation in connection with dangerous drugs and opium smoking.

Under the Dangerous Drugs Act, an All-India measure which came into force on February 1st, 1931, rules have now been framed governing imports, exports and transhipment of drugs, manufacture of opium and other kindred matters. Developments in internal policy have consisted in the enactment by provincial Governments, of legislation designed to suppress or limit the actual smoking of the drug, which constitutes a problem quite distinct from its use by eating as an indulgence and more particularly as a quasi-medical preventive of malaria. In Burma, only registered smokers may possess prepared opium. The local Government have still under consideration a proposal to license smoking saloons with a view to providing facilities for smoking where such are necessary, and at the same time enabling the Excise staff to take effective action against unlicensed saloons. Before ratifying the agreement drawn up at the Opium Smoking Conference, Bangkok, certain modifications of the existing laws in Burma are necessary to enable the provisions of the agreement to be enforced. The local Government had, therefore, prepared a Bill with a view to amending the Dangerous Drugs

Act, 1930, to be introduced in the session of the Burma Legislative Council to be held in August 1934. The Bengal Opium Smoking Act, 1932, which aims at the licensing of opium smokers, came into force in June 1933, and 1,462 licenses were issued to opium smokers up to the end of the year. In the Central Provinces opium smoking has been totally prohibited with effect from June 1932. Section 7 of the Central Provinces Opium Smoking Act was amended in 1933, making it unlawful for any person to possess or smoke opium, or prepare opium for smoking purposes. Total prohibition of opium smoking is also in force in all the plains districts and in some parts of the Khasi and Jainthia Hills in Assam. The question of extending the Assam Opium Smoking Act to the "backward" areas is being considered by the Government of Assam, in pursuance of a recommendation of the Local Opium Enquiry Committee. Opium smoking in company has been prohibited by legislation in the Punjab, Delhi, Baluchistan and the North-West Frontier Province. In the United Provinces a Bill to amend the law relating to opium smoking was introduced in the Council in 1933, it has since been passed and opium smoking will now be prohibited except by persons duly registered.

Opium production in Indian States.

Action taken with regard to opium production in Indian States, naturally a complicating factor in an All-India policy, has already found mention in last year's report; the revised agreements, whereby certain States produce opium for supply to Government on a quota system, and permit no poppy cultivation except as required for supply to Government, remains in force until 30th June 1936, when the position will be reviewed.

Control of the importation, manufacture and sale of medicinal drugs in India.

We have referred in previous reports to the Drugs Enquiry Committee; their recommendations to control the standard of strength, quality and purity of drugs and to improve the standard of training and qualifications of pharmacists in India have been submitted to local Governments for their views.

Medical relief for women.

It is not practicable in a report of this nature to give more than a passing reference to the private medical work undertaken in India for women, but before examining the progress made by the official and various semi-official organizations which provide medical relief for the women of India, mention at least must be made of the very valuable institutions of private enterprise throughout the country, including among missions, such institutions as the hospitals

and medical schools for women at Ludhiana and Vellore, and in States, the women's hospitals at Jaipur and Jodhpur, and among lesser estates at Balrampur in the United Provinces. It will be well also, in order that the picture may be complete, to draw attention to the vast background wherein all these institutions labour by referring to the 1931 Census report, according to which the population of British India alone is over 271½ millions of whom over 131½ millions are women. Considerable though the work both private and official is, and substantial as the progress has been, unfortunately it remains true that even the most ordinary benefits of scientific medical knowledge have still scarcely penetrated to the vast village population.

Women's Medical Service.

We will now consider the most noteworthy developments of the year in those organizations for which the Government of India takes some degree of responsibility. The Women's Medical Service continued to maintain 26 hospitals distributed as follows : Delhi 2; Baluchistan 1; North-West Frontier Province 2; Madras 2; United Provinces 5; Bombay 2; Bengal 1; Punjab 3; Bihar and Orissa 2; Central Provinces and Berar 6. The most important development of the work has been along the lines of teaching and preparing the women of India to undertake medical relief themselves and generous assistance in this direction has been three Rockfeller Fellowships for higher study, held by a Professor and two Assistant Professors, Indian ladies of the Lady Hardinge Medical College, New Delhi. At the beginning of the 1933-34 session of this institute there were 145 students on the roll, against accommodation for only 100, and the urgent necessity for an additional hostel is under consideration by the college authorities. An officer of the service is also deputed for All-India Service as Director of Maternity and Child Welfare for supervision of such work both in the Army and amongst the civil population; the Rockfeller Foundation in addition to the help above referred to, invited this officer to under take a study tour in China, Japan and America during 1934.

The Countess of Dufferin's Fund, which administers the Women's Medical Service, has also maintained the Maternity and Child Welfare Section of the All-India Hygiene Institute, Calcutta, where medical graduates receive special instruction and qualify for a diploma in this subject which is becoming increasingly recognized as of the highest importance for the rising generation.

Indian Red Cross.

Besides the work of the Maternity and Child Welfare Bureau, which will be described in a subsequent paragraph, the activities of the Indian Red Cross cover a wide field of social and medical relief, including popular health education and rural welfare work through the agency of health visitors, travelling dispensaries and propaganda units, and junior Red Cross groups in schools, as well as financial and other assistance to hospitals. The outstanding event of the period under review was the Bihar earthquake of January 1934, the first disaster on Indian soil of a magnitude to require mobilization of Red Cross resources throughout India. A Red Cross depot was opened at Patna, where large supplies of food, clothing, blankets and medical requirements were collected. The Bihar and Orissa provincial Red Cross branch took immediate action and within a few days 20,000 blankets were distributed to homeless refugees and sums of money placed at the disposal of all districts for medical comforts. This emergency depot was closed on the 31st March, but an advance depot at Muzaffarpur remained open throughout the monsoon to deal with flood sufferers. The Bengal provincial Red Cross, acting in conjunction with the St. John Ambulance Brigade overseas sent up to Monghyr a complete self-contained camp hospital, with tents, beds, stores, rations, doctors, nurses and ambulance workers. The society received generous assistance from Red Cross branches all over India and from abroad; the International Relief Union, Geneva, sent £1,000, while the League of Red Cross Societies, Paris, issued an international appeal on behalf of the Indian Society which resulted in many generous donations from foreign Red Cross Societies. The total collections by the Society for H. E. the Viceroy's Earthquake Relief Fund amounted to about Rs. 1,25,000. In addition a large number of valuable gifts in kind were sent straight to the Red Cross depot in Patna. During 1933, 13 new district Red Cross branches were opened, bringing the total number up to 151, though the membership of the organization fell and its activities were handicapped by the need for strict economy. In previous reports we have referred to the King George's Thanksgiving (Anti-Tuberculosis) Fund, which is administered by the Indian Red Cross, and to the methods it employs in fighting a disease which, according to official estimates, claims a minimum of 1½ millions of victims a year. Extensive propaganda in the nature of leaflets and charts for distribution, public lectures, exhibitions and cinema

demonstrations, was carried out by the Committees which now number 15, set up by this Fund. In addition some Committees have employed qualified medical assistance.

The Junior Red Cross.

The Junior Red Cross, which exists mainly to encourage health education in schools, again made good progress, and by the end of the year the number of groups had increased to 5,297 and the membership to 2,52,941. The junior Society also did its share in the Bihar earthquake relief, by collecting money for H. E. the Viceroy's Fund, and clothing for the sufferers. A gift of £570 received from the National Institute for the Blind, London, is being used through the agency of the Junior Red Cross groups for propaganda for the prevention of blindness in India; trachoma, keratomalacia and conjunctivitis, eye diseases of very common occurrence in India can be treated with hope of success if detected early amongst school children.

Maternity and Child Welfare.

An important branch of the Indian Red Cross Society is the Maternity and Child Welfare Bureau. The efforts of this Bureau provide the most hopeful means of gradually extending organized and properly supervised health work amongst women of the poorer classes. The Bureau, besides keeping in touch with a large number of greater and lesser health agencies throughout India, assists health schools in Delhi, Madras, Calcutta and Poona, while a project to open a new health school in Burma is under consideration. Marked progress has been made in providing medical assistance for the dependents of Indian soldiers, in the nature of increased grants from Army Headquarters and the decision of the Army authorities to permit money from the I. E. F. Canteen profits to be spent on permanent welfare work such as equipping hospitals and centres. A conference of Army Welfare Workers held in Delhi in February 1933 under the auspices of the Bureau was an unqualified success. Mention must also be made of two generous private donations to Red Cross funds by Indian gentlemen; one of Rs. 20,000 towards a hospital for women and children at Shillong, and one of Rs. 13,500 for a women's hospital at Yedatore.

St. John Ambulance Association.

Before leaving the subject of public health in India mention must be made of the St. John Ambulance Association with its sister organization, the St. John Ambulance Brigade Overseas,—both of which work in close cooperation with the Indian Red Cross Society. During 1933 the Association held 1,583 courses of instruction in

First Aid, Home Nursing, Hygiene and Sanitation, at which 13,904 persons qualified for certificates. In addition 9,919 school children followed the more elementary Mackenzie School course in First Aid, Hygiene and Sanitation. Classes were organized among military forces, on railways, for the police, in prisons and reformatory schools, in educational institutions, in mines and in factories. Mention has already been made above of the camp hospital sent to Bihar for the relief of victims of the earthquake. The work of this unit was publicly recognized in a special order by the Chief Commissioner for the Brigade Overseas, in London. In addition the Patna Training College Division helped to staff the Red Cross Depot at Patna, and members of the East Indian Railway Divisions rendered prompt first aid to earthquake sufferers at Jamalpur. At the end of the year 1933 the strength of the Brigade Overseas in India was 52 Ambulance Divisions, 10 Nursing Divisions, 5 Cadet Ambulance Divisions and 5 Cadet Nursing Divisions with a total membership of 2,317.

Boy Scout and Girl Guide Movement.

The Boy Scout and Girl Guide movement has again made good progress in the year under review, and the total number of scouts for all India at the end of the year was 1,96,175. There were 32 State Associations, amongst which Mysore stands foremost with a membership of 19,696. The movement continued to receive support from all provincial and State Governments. We summarize the chief events of the year. An Indian Contingent attended the 4th International Jamboree at Godollo in Hungary. A representative of the Chief Scout of the World spent 4 months in India visiting several of the bigger provincial and State Associations, and conducted Scout Courses at Pachmari, at which most of the Provinces and States were represented. At an All-India Scouters' Conference, at which questions of outstanding importance were discussed, held at the Viceroy's House, New Delhi, in February 1934, His Excellency the Viceroy, the Chief Scout for India and Burma, presented on behalf of the Chief Scout of the World, a " silver medal " to Rai Sahib G. Dutta for his valuable services to the Boy Scout Movement,—this being the first award of its kind in India. Scout magazines, started by several provincial and State Associations together with vernacular literature on Scouting, have helped to spread the movement into the villages of India, a development of the work on which the future of Scouting will largely depend.

As regards Girl Guides, these totalled 32,485 in the whole of India. India was represented at the Eighth World Conference in Switzerland and samples of Indian handcrafts were sent to the World Exhibition held in connection with the conference. In the United Provinces, training weeks in the vernacular throughout the Province have been most successful, while in the Punjab work is conducted in close cooperation with the Junior Red Cross Society. Through the Bluebird Branch for girls from the ages of 8 to 11, the movement is spreading in the villages where it does much to bring joy into the lives of small girls and to train them in character, service for others and general utility as well as in physical development.

Education.

We will conclude the Chapter with a description of such noteworthy events as occurred during the year in connection with the educational institutions for which the Government of India assumes some degree of responsibility.

Benares Hindu University.

The enrolment of the Benares Hindu University has increased steadily during the past years, and the total at the close of the year under review was 3,492, against 3,305 at the end of the previous year, a feature of the new admissions was the number of students taking up science courses. The past year saw the publication of several notable works of research and of a literary nature, among which may be mentioned Mr. P. D. Barthwal's thesis on "The Nirguna School of Hindi Poetry", Rao Bahadur K. V. Rangaswamy Iyengar's lectures on "Ancient Indian Economic Thought", and "Indian Industry and its Problems" by Dr. H. R. Soni. The University Training Corps continued to make satisfactory progress, and won the Efficiency Cup at the annual camp at Lucknow for the seventh time in succession. Other notable events were the visit of the British Universities' Debating team and a visit from Professor Macchioro of Rome, on deputation from the Institute of the Middle and the Far East. The University received donations for general and special purposes amounting to Rs. 85,352.

Aligarh Muslim University.

The total strength of students on the roll for the last session was 1,184, an increase of 6 over the previous year. A special feature of this University is the department of Geography, which has trained over 70 teachers in the last three years from various parts of India including European schools. An agricultural atlas of Bihar and Orissa is under preparation by a student of the department. Events on the educational side include the addition of a special course in mathematics and chemistry for students who wish to go to the

Punjab Medical College, and M.A. and Honours classes in Urdu from the last session, while research work is represented by theses in physics and chemistry by two candidates for the Doctorate of Philosophy. A publication of the year which has attracted much interest in scientific circles is one on the problem of Chemical Linkage by Dr. Hunter and Dr. Samuel. There were several changes in the staff, among them the resignation of Dr. Sir Syed Ross Masood, Kt. LL.D. from the Vice-Chancellorship.

Delhi University.

The total number of students increased from 2,045 in the previous year to 2,184 in the year under report, this includes an increase in women students from 65 to 83. Government have finally decided upon the permanent location of the University and its colleges in the Old Viceregal Lodge Estate, and handed over to the University an area of about 71 acres containing the main building of the Viceregal Lodge, and another area of about 16 acres. The University offices and the library have been accommodated in the main building, and the second area of 16 acres is intended eventually for the location of the University Law Hall and Hostel and the residence of the Warden and Law Lecturers. Sites for the various constituent colleges, and recreation grounds have also been reserved on the Estate. The question of the development of Delhi University into a Federal University is now under consideration.

Central Advisory Board of Education and Bureau of Education in India.

Another matter of interest which had been engaging the attention of the Government of India since 1930-31 is the recommendation made by the Indian Statutory Commission and its Auxiliary Committee on the Growth of Education in India, to revive the Central Advisory Board of Education and the Bureau of Education in India, which were abolished in 1923 as a measure of economy. Government have recognized the importance of starting bodies like the Board, which are designed to co-ordinate All-India activities, and as a preliminary to the establishment of the proposed institutions, the post of Educational Commissioner has been restored to its former status and accepted by Sir George Anderson, Kt., C.S.I., C.I.E., though the completion of the scheme could not be secured during the year under review pending improvement in the financial situation.

CHAPTER IX.

The Scientific Surveys.

Scope of Chapter.

The concluding Chapter of this report will give some account of what are known as the five Surveys of India—archæological, topographical, geological, botanical and zoological.

The Archaeological Survey.

Economies which the Archæological Department in common with other departments has had to observe have necessarily restricted activities in the field of excavation, even so, many valuable finds have been brought to light in the year under report.

Mohenjo-daro.

Excavations at Mohenjodaro exposed a section about 525 feet in length, of a new street lined on both sides with series of well constructed buildings provided with drains and in some cases with their own wells and bathrooms. Antiquities discovered in these buildings were numerous and of a varied nature, the most valuable find of the season being a canister-shaped vase of copper or bronze (ht. 6.2″; diam. at base 7″) with close fitting lid of the same metal secured with two chain hinges. The vase was cleaned and opened by the Archæological Chemist and found to contain among other articles, a large girdle of long tubular cornelian beads; a gold fillet marked at both ends with the peculiar cult symbol,—seen also on a seal found in these excavations,—representing a composite animal with heads of a unicorn and a short horned bull facing in opposite directions and the fish symbol in the upper field ; a conical shaped head dress of gold with a silver loop at the inner apex; a pair of wristlets of conical shaped beads of gold, and a quantity of gold and other beads of semi-precious stones.

Taxila.

Sir John Marshall's researches have brought to light many detached Buddhist settlements among the hills of the Hathial and other ranges which surround the city of Taxila. Mention was made in the last report of the large monastic establishment unearthed at Kalawan. Yet another mass of ruins, known as Khole and situated about a mile to the south of the village of Karnwal, has since been partially explored and discloses the remains of a monastery of the usual type with a large stupa close beside it. The monastery exhibits the small diaper pattern of masonry and is, therefore, assignable to about the 1st century A. D. The stupa which is

somewhat later in date had been rifled of its contents by treasure seekers many years ago, and as the only minor antiquities of any interest found were two coins of Soter Megas and 3 of later Kushan imitation, further excavation was postponed. Further progress was made with the excavation of the monastery at the Dharmarajika Stupa site and it now appears that this building was first constructed in the Gupta period and rebuilt in the 6th or 7th century A. D. Numerous other minor antiquities and coins were recovered from different sites at Taxila. Two gold coins of Chandragupta II are especially noteworthy as being the first coins of the Gupta dynasty yet found at Taxila.

Delhi.

The Hindu citadel at Old Delhi which is believed to have been built by Anangapala about A. D. 1060 and the larger fort around it known as Rai Pithaura Fort, are described at some length in General Sir Alexander Cunningham's reports. The walls of the citadel are still standing to considerable heights at some places, and one of its gates known as Ranjit Gate has survived in a fairly good state of preservation. During the past year a considerable portion of the rampart of the larger fort, which must have been more than 4 miles in circuit, was exposed over a distance of some 1,300 feet. The excavations revealed the remains of two of the five gates which, according to the autobiography of Timur, this city possessed on the north side. Among the antiquities found at this site were coins of the Slave and Khalji kings, fragments of Chunar stone sculpture, stone relief and Mughal glazed pottery.

Theh Polar.

The ancient site known as Theh Polar in the district of Karnal is a mound on the south bank of the river Sarasvati celebrated in the Rig Veda, which fell within the circuit of the great battlefield of the Mahabharata War. Excavations have revealed a hoard of 730 coins of Ghiyas-ud-din Balban (A. D. 1265-1287) and one silver coin of his predecessor Nasir-ud-din Mahmud I (A. D. 1246-1265), while in another portion of the mound, besides structural remains of some interest, were found coins and seals of the 3rd and 4th centuries A. D. The coins include imitations of the Kushan types as used by the Yaudheya and other kinds who ruled over the Eastern Punjab and neighbouring territories.

Nalanda.

Further excavations at Nalanda, an ancient Buddhist city in Bihar, have revealed among other interesting antiquities a number of bricks moulded with a variety of animal and human figures; a

hoard of 54 coins of the Huns; a rectangular copper coin plated with gold on one side, which appears to have been issued by the Sunga king Pushyamitra; a large collection of bronze and stone figures, including images of Hindu gods and goddesses. Of particular structural interest was the discovery in monastery (11) of a stone pillar and stone pilaster standing *in situ*, showing the use of such pillars to support the verandahs, while here, as in the monastery excavated last year evidence was found of the use of wooden planks to line the treads of the staircase.

Burma.

No excavations were carried out in Burma. The Superintendent was, however, able to identify several Buddhist *Jataka* stories among terracotta bas-relief plaques of about the 11th century A.D.—, which had remained in niches round the terraces of Thagya paya pagoda at Thaton. The character of these reliefs had been a matter of controversy from the seventies of the last century and it had been suggested that they had nothing to do with Buddhism. One of the *Jatakas* now identified is the Vidhurapandita *Jataka*.

Epigraphy.

In the field of epigraphy an interesting discovery related to an inscription of the 2nd year of the Kushan era which is engraved on a Bodhisattva statue in the Allahabad Museum. It is the earliest record in this era so far discovered. Inscriptions of the Ikhaku king Madhariputa Sirivirapurisadata have hitherto been found only at Nagarjunikonda in the Guntur district and Jaggayyapeta in the Kistna district. A fragmentary inscription of this prince has now been found at Ramireddipalli in the same district. 177 new inscriptions were found as the result of a survey in 76 villages of the Madras Presidency and 171 new inscriptions were copied in the Kanarese districts of the Bombay Presidency. During the year under report three parts of the *Epigraphia Indica* were issued and material for three others sent to the press. Seven volumes of the South-Indian Inscription Series have already been published. Two others are now in the press, and a third volume is under preparation.

Museum.

Additions of palæolithic and neolithic implements, a collection of black pottery assignable to the Early Iron Age, recovered from various sites in Mysore, Hyderabad and Madras Presidency, were added to the archæological section of the Indian Museum, and the coin collection has been further enriched by a large number of punch-marked coins and a silver coin of Alexander the Great.

The Archæological Chemist treated some 2,000 antiquities of various kinds during the year. His experiments to preserve ancient stone work with vinyl acetate in toluene have proved very effective and it is proposed to treat other decayed masonry with this solution.

Archæological Chemist.

One of the main tasks of the department is the conservation of over 3,000 ancient monuments besides numerous gardens; this work absorbed most of the maintenance grant, and little was possible in the way of special repairs beyond those already in progress.

Conservation.

The measures for effecting economy initiated at the end of 1931 have been completed, and the Survey of India completed its first year's work with its retrenched organization.

The Topographical Survey. Effects of retrenchment.

The results of the year seem to indicate that annual outturn will stabilise at about 35,000 square miles of original survey at a nett cost of Rs. 21½ lakhs, compared to about 60,000 square miles at a cost of about Rs. 40 lakhs prior to retrenchment. The department still earns in recoveries about two-fifths of its gross expenditure. During the year ending 30th September 1933 (the latest period for which detailed information is available) an area of 34,650 square miles of original survey and 9,033 square miles of revision of modern work was surveyed, mostly on the scales of one inch and half inch to one mile. This included the survey of 753 square miles of unexplored Naga tribal territory between Burma and Assam. The total area remaining for modern (later than 1905) original survey within the external limits of India at the end of the survey year was 7,20,941 square miles. Wild elephants interrupted field work considerably in the Tripura State of Bengal, and an officer in charge of a Survey Camp was killed by a tiger in Orissa.

Special and Miscellaneous Surveys.

In addition to topographical survey work, the department undertook various forest surveys, rectangulation for irrigation purposes, boundary, cantonments and town surveys at the request of local Governments, other official departments, Indian States and private bodies. A special work was the air photography of 74 square miles of Tripura State, already surveyed by ground methods, carried out as an experiment to ascertain, by the preparation of a comparative map, whether such photographs could be used to quicken up the field work in this very intricate and densely afforested country. The accordance of the resulting air survey with the ground survey proved so complete as regards outline, that it is intended to survey the

outline of next season's work in Tripura State by air methods, leaving ground surveyors to enter hill features on the air survey compilations. This method is expected to be especially applicable to afforested but undulating country, which presents the most awkward problem to the ground surveyor. Exploration work was done by a small survey detachment, which accompanied the military column operating in the Lower Mohmand country, and a military officer on leave in North Sikkim obtained new information about little known passes, and checked parts of the quarter-inch maps of the area and Marcel Kurz's map of the Kanchenjunga *massif* made during the international expedition of 1930.

Scientific operations.

The usual magnetic, seismographic and meteorological observations were continued at the Dehra Dun Observatory. Bi-weekly time observations were continued, and a record of the longitude of Dehra Dun maintained by the reception of wireless time signals from Bordeaux and Rugby. On the completion of three years' work the observations for variation of latitude were discontinued. The variation found at Dehra Dun was much greater than those found at the international stations, and this is attributed to abnormal refraction, arising from meteorological causes.

Observations for latitude and longitude were made at 44 stations spaced along a line from west to east across Burma, from the Chin Hills to the Mekong river at the tri-junction of Burma, Siam and French Indo-China. These observations provide an accurate section of the geoid in Burma. Longitude was observed at Keng Tung, completing the observations necessary for a Laplace station there. The Mergui Base, originally measured in 1882 in one direction only, with Colby bars, was remeasured in both directions. New bases were also measured in the Amherst and Kalemyo districts and connected to primary triangulation. In Bengal and Burma 485 miles of precise levelling were carried out in the Chittagong, Akyab, Kyaukpyu and Minbu districts to connect the India and Burma systems.

Miscellaneous work.

Several new air survey instruments were designed by officers in the department, including a photographic tilt recorder, a rectifier, and a head-stereoscope. During the year, 501 departmental maps, including reprints and new editions, were published, and numerous maps and plans were prepared for the Army, local Governments, Railway administrations, Census officers and other departments.

The Mathematical Instrument Office at Calcutta, continued the manufacture and repair of scientific and optical instruments of all kinds for supply to the Army and other Government departments.

The Geological Survey. Systematic geological surveys together with researches into the mode of occurrence of particular minerals forms the main work of the department. During the year geological surveys were in progress in the Garo, Khasi and Jaintia hills in Assam; in Gangpur, Bamra and Keonjhar States and in the Singhbhum district in Bihar and Orissa; in Palanpur and the Rewa Kantha States, and the Ahmedabad and Panch Mahals districts, Bombay; in the Jhabua, Ali Rajpur and Ratanmal States in Central India; in Bastar State and Nagpur and Bhandara districts, Central Provinces; in the Salt Range and in Kangra and Hoshiarpur districts, and Mandi and Bilaspur States, Punjab; and in the Dehra Dun district and Tehri Garhwal State, United Provinces; in the Northern and Southern Shan States, and in the Mogok Stone Tract, Burma; this latter is a special scale survey commenced in order to assist the local Government in their policy concerning concessions to work rubies, sapphires and other gem stones.

Economic enquiries. As regards economic research work, antimony-ore was investigated in the Southern Shan States, Burma; apatite and asbestos in Singhbhum, Bihar and Orissa; barytes in the Southern Shan States; beryl in the Nellore district, Madras; building stones in Bihar and Orissa, Bombay and Burma; chromite in the Ratnagiri district, Bombay; clays in Bombay and Madras; copper-ore in Singhbhum, Bihar and Orissa; garnet in the Nellore district, Madras; gold in the Northern Shan States, Burma; iron-ore in Bastar State, Central Provinces; kyanite in Singhbhum, Bihar and Orissa and Nellore, Madras; lead-ore in the Panch Mahals district, Bombay, and the Southern Shan States, Burma; mica in the Nellore district, Madras; natural gas in Kathiawar, Bombay Presidency; salt in Kohat district, North-West Frontier Province; samarskite in Nellore district, Madras; soapstone in Singhbhum district, Bihar and Orissa, and Nellore district, Madras; and soda in Ahmedabad district, Bombay.

Special investigations. Numerous special investigations were also carried out and include the question of the application of vacuum to wells in certain reserves in the Burma oil fields, where the local Government are considering measures to ensure a policy of conservation of gas as well as of oil. Investigations with reference to well sites in Ranchi; for enhancing

the Rangoon water supply; for an irrigation storage dam in Madras; and on building policy to withstand earthquake shocks and other causes of damage to buildings at the military cantonment, Mir Ali, Waziristan, cover some of the miscellaneous subjects, regarding which the department gave advice during the year. Mention must also be made of the memoir upon the Pyu earthquakes of 1930, published during the year, and of an expedition under the Percy Sladen Trust in search of reptilian fossils in the Central Provinces.

The Botanical Survey.

Since the reduction in staff, effected in 1932 as part of the Government's general economy campaign, field research work has not been possible. The Botanical Survey has had to restrict its activities to the herbaria at Sibpur and Calcutta, where considerable work on the determination and record of specimens is due. In the year under review the Survey has dealt with requests for supply of seeds and specimens from different parts of Europe, America and India, and issued some 330 specimens on loan for monographic work. Botanical literature of the year, which deserves mention, includes Sir David Prain and Mr. Burkill's Monograph on the genus Dioscorea, Part I of which has been completed; Mr. Biswas of the Sibpur Herbarium has published an account of the Conifers of the Indian Empire; the result of an enquiry undertaken by Mr. Badhwar at the instance of the Survey in connection with the yield of the drug santonine from a certain class of the genus Artemesia of North-Western India, has now been published and furnishes valuable contribution to our knowledge of the factors on which a successful santonine industry must be based.

Cinchona.

In pursuance of the policy of Government,—a policy dictated by the transference of Public Health as a subject to the Provinces,—and in conformity with the recommendations of the Public Accounts Committee, to liquidate stocks and contract production, no increase in the area of the plantations in Burma has been made. Contraction in the effort is going on as quickly as consideration for trees in bearing and about to give their quota of bark will allow. The stock of bark in hand at the opening of the year was 7,35,070 lbs. and at the close of the year roughly 6,10,248 lbs. Quinine sulphate and salts amounting to nearly 13,000 lbs. and 5,923 lbs. of Cinchona febrifuge were sold during the year, and receipts from the sales of Cinchona products amounted to Rs. 2,88,862.

Another industry that may well prove to be of economic value is in the course of development: experiments in all the Cinchona plantations extending over many years, have now shown the best means of harvesting Ipecacuanha as a nurseried plant, and the success achieved justifies the expectation that there should no longer be necessity for reliance on South American sources of this important drug plant.

The Zoological Survey.

Field work of the Zoological Survey during the year under review was again greatly restricted due to enforced economies, and activities have centred mainly on the conservation, proper identification and classification of the very rich collections in charge of the department. Some valuable investigations on local fauna and field collections were, however, made by officers of the department, on such opportunities as presented themselves in the course of the hill-recess or other particular occasions, and detailed studies on the ecology of various classes of animals were carried out in the field.

Research.

An important feature of the Survey's activities is the work it achieves in cooperation with other scientific bodies, and extensive reports on the human and animal remains excavated at Harappa are in the course of publication. Among the other more important papers published during the year by officers of the department may be mentioned: a study of the Fauna of Salt Lakes, Calcutta; the Pearl Oysters of Indian Ocean; notes on the Bionomics of *Trochus niloticus*; fishes of Afghanistan, Burma and other areas; respiration in Fishes; Stomataopods of the Sandheads; Ecological Study of the Fauna of the Khewra Gorge; and Entomological investigations of the Spike disease of Sandal. An important anthropological bulletin from the Zoological Survey on anthropometric measurements of Maithil and the Kanujiya Brahmins of Bihar is expected to be issued shortly.

APPENDIX.

Representative List of Official Reports, etc.

(Mostly annual.)

General.

Statistical Abstract for British India.

Census Report (Decennial).

Provincial Administration Reports : Madras, Bombay, United Provinces, Punjab, Bengal, Central Provinces and Berar, Burma, Bihar and Orissa, Assam, North-West Frontier Province, Delhi, Coorg, Andaman and Nicobar Islands, Civil and Military Station of Bangalore, Ajmer-Merwara, Baluchistan Agency, Aden.

Report on the Administration of the Border of the North-West Frontier Province.

Administration Report of the Army Veterinary Service.

Administration Report of Government Military Dairy Farms.

Administration Report of Government Military Grass Farms.

Administration Report of the Indian Army Ordnance Corps.

Agriculture and Veterinary.

Agriculture and Livestock in India (bimonthly).

The Indian Journal of Agricultural Science (bimonthly).

The Indian Journal of Veterinary Science and Animal Husbandry (quarterly).

Occasional Scientific Monographs of the Imperial Council of Agricultural Research.

Review of Agricultural Operations in India (biennial).

The Annual Report of the Imperial Council of Agricultural Research.

Proceedings of the Board of Agriculture and Animal Husbandry.

Occasional Miscellaneous Bulletins if the Imperial Council of Agricultural Research.

Catalogue of Indian Insects.

Scientific Reports of the Imperial Institute of Agricultural Research, Pusa.

Report of the Department of Agriculture for each Province.

Season and Crop Report for each Province.

Agricultural Statistics of India, Volumes I (British India) and II (Indian States).

Estimates of Area and Yield of Principal Crops in India.

Report of the Civil Veterinary Department for each Province.

Report of the Imperial Institute of Veterinary Research, Muktesar.

Quinquennial Report on the average yield per acre of principal crops in India.

Review of the Sugar Industry of India (Supplement to the Indian Trade Journal).

Live-stock Statistics, India (quinquennial).

Co-operative Societies.

Statistical Statements relating to Co-operative Movement in India.

Report on Co-operative Societies for each Province.

Reports of Conferences of Registrars of Co-operative Societies.

Education.

Annual Reports on Education for India and for each Province.

Quinquennial Reviews on the progress of education in India and in each Province.

Occasional Reports and Pamphlets on education.

Annual Report on the work of the Education Department of the High Commissioner for India, London.

Annual Report on the working of the Imperial Library, Calcutta.

Emigration and Immigration.

Annual Report on the working of the Indian Emigration Act of 1922 and the Rules framed thereunder in the Presidency of Bengal.

Annual Report on the working of the Indian Emigration Act in the Bombay Presidency.

Annual Report on the working of the Indian Emigration Act and the Rules framed thereunder in the Madras Presidency.

Annual Report of the Agent of the Government of India in South Africa.

Annual Report of the Agent of the Government of India in British Malaya.

Annual Report of the Agent of the Government of India in Ceylon on the working of the Indian Emigration Act, the Rules issued thereunder and of the Labour Ordinances of Ceylon.

Annual Report on the working of the Tea Districts Emigrant Labour Act, XXII of 1932.

Finance.

Budget of the Government of India.

Finance and Revenue Accounts of the Government of India.

East India Accounts and Estimates: Explanatory Memorandum by the Secretary of State for India (Parliamentary Paper).

Home Accounts of the Government of India (Parliamentary Paper).

East India (Loans raised in England) (Half-yearly Parliamentary Paper).

Reports on the Administration of the Mints at Calcutta and Bombay, with a review of the Controller of the Currency.

Report of the Controller of the Currency.

Statistical Tables relating to Banks in India.

Forests.

Annual Return of Statistics relating to Forest Administration in British India.

Report on Forest Administration for each Province.

Reports of the Forest Research Institute and the Imperial Forest College, Dehra Dun.

Quinquennial Forest Review.

Indian Forest Memoirs.

Indian Forest Records.

Forest Bulletins.

Justice and Police.

Report on the Administration of Civil Justice for each Province.

Report on the Administration of Criminal Justice for each Province.

Report on Jails for each Province.

Report on Police for each Province, and for Sind, Bombay Town and Island, Calcutta and Rangoon.

Land Revenue, etc.

Land Revenue Administration: Provincial Reports for Bengal, Bihar and Orissa, Assam, United Provinces, Bombay Presidency (including Sind), Punjab, Central Provinces and Berar, Burma, and Madras.

Report on Land Revenue Administration, Land Records, Settlement Operations, Alienation of Land Act, etc., for North-West Frontier Province.

Madras Survey, Settlement and Land Records Department Report.

Reports of Land Records Departments for Bombay, Burma, Bengal, United Provinces, and Punjab.

Report on Settlement Operations, Punjab.

Reports on Survey and Settlement Operations, Bengal, Bihar and Orissa, and Assam.

Reports on Operations of the Land Records and Settlement Departments, Central Provinces and Berar.

Report of the Talukdari Settlement Officer, Bombay.

Provincial Reports on the Administration of Estates under the Court of Wards.

Report on the Punjab Canal Colonies.

Legislation.

Acts of the Indian Legislature and Provincial Legislative Councils.

Regulations made by the Governor-General in Council.

Official Accounts of the Debates and Proceedings in the Central and Provincial Legislatures.

Local Self-Government.

Report on Municipalities for each Province and for Calcutta, Bombay City, Madras City and Rangoon.

Reports on District and Local Boards for each Province.

Reports of Ports Trusts of Bombay, Madras, Karachi and Aden.

Administration Reports of the Calcutta, Rangoon and Chittagong Port Commissioners.

Medical, Public Health, and Vital Statistics.

Report of the Public Health Commissioner with the Government of India.

Report of the Director of Public Health for each Province.

Report on Civil Hospitals and Dispensaries for each Province.

Report on Mental Hospitals for each Province.

Report of the Chemical Examiner and Bacteriologist for each Province.

Indian Journal of Medical Research (quarterly).

Indian Medical Research Memoirs (Supplementary Series to the Indian Journal of Medical Research), issued periodically.

Records of the Malaria Survey of India issued by the Director, Malaria Survey of India.

Reports of the Scientific Advisory Board and the Governing Body, Indian Research Fund Association.

Report of each of the Pasteur Institutes at Kasauli, Coonoor, Rangoon and Shillong.

Report of the Central Research Institute, Kasauli.

Report of the Haffkine Institute, Bombay (biennial).

Report of the King Institute, Guindy.

Report of the Calcutta School of Tropical Medicine and Hygiene.

Mineral Production and Inspection of Mines.

Review of Mineral Production (in Record of Geological Survey).

Report of the Chief Inspector of Mines.

Indian Coal Statistics.

Posts and Telegraphs.

Annual Report on the Indian Posts and Telegraphs Department.

Prices and Wages.

Index Numbers of Indian Prices (quinquennial).

Public Works.

Report by the Railway Board on Indian Railways.

History of Indian Railways constructed and in progress (quinquennial).

Quarterly summaries of proceedings of Railway Local Advisory Committees.

Half-yearly Summaries of reports on Railway accidents by Government Inspectors of Railways.

Reports on Public Works (Buildings and Roads) for Madras, Bombay, United Provinces, Punjab, Bihar and Orissa, Central Provinces, Assam and North-West Frontier Province.

Review of Irrigation in India.

Administration Reports on Irrigation for each Province (except Assam).

Indian Roads.

Revenue (other than Land Revenue).

Salt Department Reports : Northern India, Madras, Bombay, Sind, Bengal, Burma, Bihar and Orissa.

Excise Report for each Province.

Memoranda on Excise (Cocaine, Hemp Drugs, Opium and Intoxicating Liquors) Administration in India.

Annual Report by the Government of India on the Traffic in Opium and Other Dangerous Drugs (British India).

Note on production, consumption, import and export, etc., of Opium and Other Dangerous Drugs in Indian States.

Report on the Operations of the Opium Department.

Stamp Department Report for each Province.

All-India Income-tax Report and Returns.

Registration Department Report for each Province.

Indian Customs Revenue (monthly).

Scientific Departments.

Report of the Zoological Survey.

Memoirs and Records of the Indian Museum.

Anthropological Bulletins.

Survey of India, General Report.

Records of the Survey of India.

Geodetic Report.

Report and Records of the Botanical Survey.

Reports, Memoirs, etc., of the Archæological Survey.

Records and Memoirs of the Geological Survey of India.

Report on the Administration of the Meteorological Department of the Government of India.

Scientific Notes of the Indian Meteorological Department.

Memoirs of the Indian Meteorological Department.

Annual Report of the Kodaikanal Observatory.

Memoirs and Bulletins of the Kodaikanal Observatory.

Indian Weather Review, annual summary.

Rainfall Data of India.

Annual Report on the Progress of Civil Aviation in India.

Administration Report of the Royal Indian Marine including that of the Marine Survey of India.

Report on the Bihar Earthquake and on the measures taken in consequence thereof up to the 31st December 1934, by W. B. Brett, C.I.E., I.C.S.

Trade and Manufactures.

Provincial Annual Statement of the Sea-borne Trade and Navigation, Burma.

Provincial Reports on Maritime Trade and Customs (including working of Merchandise Marks Act) for Bengal, Bihar and Orissa, Bombay, Sind, Madras and Burma.

Review of the Customs Administration in India.

Annual Statement of the Sea-borne Trade of British India, Volumes I and II.

Review of the Trade of India.

Accounts relating to the Sea-borne Trade and Navigation of British India for calendar year.

Statements of Trade at stations adjacent to Land Frontier Routes (monthly).

Indian Trade Journal (weekly).

Joint Stock Companies in British India and in the Indian States of Hyderabad, Mysore, Baroda, Gwalior, Indore and Travancore.

Report on the Working of the Indian Companies Act for each Province.

Indian Customs Tariff.

The Indian Insurance Year Book.

Accounts relating to the Sea-borne Trade and Navigation of British India (monthly).

Statistics of Cotton Spinning and Weaving in Indian Mills (monthly).

Statistics of the Production of certain selected Industries of India (monthly).

Joint Stock Companies registered in British India and in certain Indian States (monthly).

Raw Cotton Trade Statistics (Rail and River) (monthly).

Kathiawar Trade Statistics (monthly).

Accounts relating to the Coasting Trade and Navigation of British India (monthly).

Indian Tea Statistics.

Indian Rubber Statistics.

Indian Coffee Statistics.

Large Industrial Establishments in India (biennial).

Accounts of the Trade of the Portuguese Possessions in India (quinquennial) (Supplement to Volume II of the Annual Statement of the Sea-borne Trade of British India).

Exports of Indian Artware and Sports Goods (monthly).

Accounts relating to the Inland (Rail and River-borne) Trade of India (monthly).

Wholesale prices of certain staple articles of trade at selected stations in India (quarterly).

List of cotton pressing factories with names of owners and particulars of marks allotted to them in the different Provinces of British India and certain Indian States.

Monthly Survey of Business Conditions in India.

Annual Trade and Navigation Report of Aden.

Statistics of Factories for the year 1933 together with a note on the working of the Indian Factories Act, 1911, during that year.

Note on the working of the Indian Trade Unions Act, 1926, during the year 1932-33 with comparative statistics for 1931-32 and 1932-33.

Workmen's Compensation Statistics for the year 1933, together with a note on the working of the Workmen's Compensation Act, 1923, during that year.

Statistical table relating to strikes for the year ending the 31st December 1933.

The Bulletin of Indian Industries and Labour, No. 51, relating to the Seventeenth International Labour Conference.

Bulletin of Indian Industries and Labour, No. 50—Proceedings of the Fifth Industries Conference.

Report of the Chief Inspector of Explosives.

Labour Gazette published monthly by the Labour Office, Government of Bombay.

Report of the Department of Industries for each Province.

Administration Report of the Indian Stores Department.

Report on the work of the India Store Department, London.

Annual Report of the Patent Office.

Report on 'A Scheme for an Economic Census of India' by Dr. A. L. Bowley, Sc.D., and Mr. D. H. Robertson, M.A.

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